The China Weekly REVIEW

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A Weekly Newspaper Established in 1917

Prospects for the Fourth Plenary Congress

Will Shanghai Remain "Safe" for Dog-Race-Gambling!

China Under Political Tutelage

By C. Y. W. Meng

Some Results of 35 Years of Japanese Rule in Formosa

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Cheap Silver Means Reduced World Purchasing Power

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SATURDAY, NOVEMBER 15, 1930 VOLUME 54, NUMBER 11

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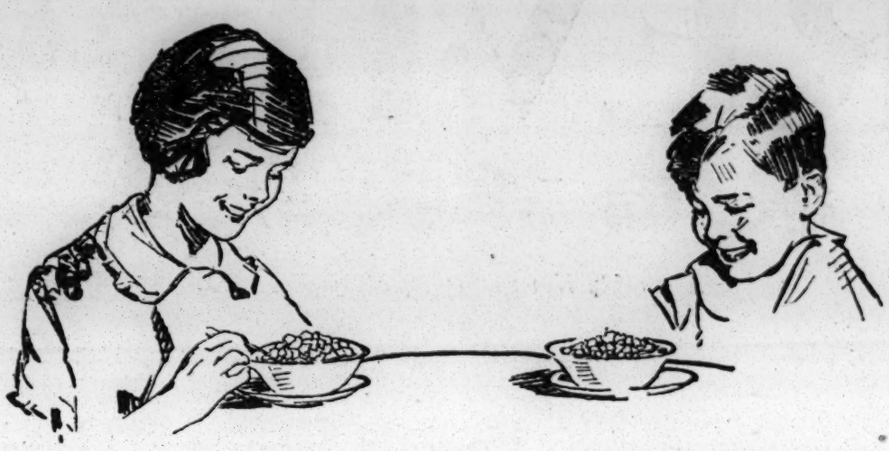

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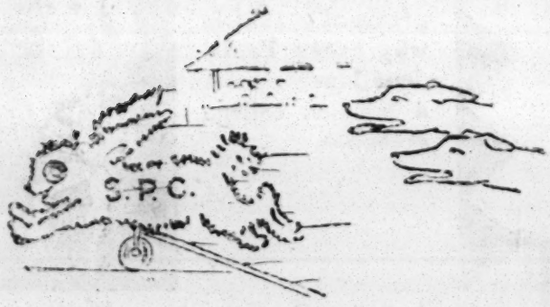

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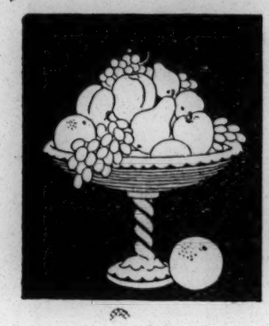

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WASHINGTON BUREAU

J. J. Underwood—Correspondent

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BAD YEAR FOR AMERICAN PAPERS IN FAR EAST

THE destruction of the entire plant of the *Japan Advertiser*, American paper in Tokyo by fire on the night of Nov. 4, calls attention to the fact that 1930 has been an unfortunate year for American newspapers in the Far East. While the *Advertiser* is the only paper that actually met with disaster, three other American papers in China definitely passed out of American ownership and control. The three papers in China which passed from American ownership were the *Peking Leader*, *Hankow Herald*, and *The China Prese*. Strictly speaking *The China Press* passed from American ownership and control several years ago when it was sold to the late Edward Ezra, head of the then British opium combine in the International Settlement at Shanghai, but recently it again changed ownership and according to report is now controlled by Chinese publishing interests closely affiliated with *The Shun Pao*, one of the leading Chinese newspapers. However, the American journalistic set-back in the Orient has recently been retrieved to a certain extent by the establishment of the *Shanghai Evening Post* which seems to be winning a place for itself in the over-crowded Shanghai newspaper field. With the possible exception of *The Manila Bulletin*, the *Japan Advertiser* was easily the outstanding American daily in the Orient. Purchased by B. W. Fleisher (member of the well-known Fleisher yarn family in Philadelphia) it easly outranked other foreign newspapers in the Far East from the standpoints of both news and typographical appearance. Mr. Fleisher spent a fortune on his paper and up to the time of the earthquake in 1923 it was a profitable business venture. The entire plant was destroyed in the earthquake and as a result the paper was forced to suspend until new machinery could be brought out from the United States. Since that time the paper has been faced with increased competition on the part of English-language newspapers published by Japanese interests, hence is reported not to have been profitable in recent years. There is hope that Mr. Fleisher will again resume publication of his paper, but this is stated to be problematical owing to his ill health. The paper and plant were valued at Yen 1,000,000 and were said to have been insured for Yen 500,000.

As for the American press in China, the passing of the *Peking Leader*, *Hankow Herald*, and *The China Press* to Chinese ownership and control, leaves only two dailies in the field. One, the *Shanhhai Evening Post*, being owned by C.

V. Starr, and the other, *The North China Star*, published at Tientsin, being owned by Dr. Charles James Fox. The most profitable American newspaper in China, the *Sin Wan Pao*, which was publishd in the Chinese language by Dr. J. C. Ferguson, was also sold to Chinese interests last year. Dr. Ferguson is reported to have received $800,000 for his sixty percent stock interest in the paper. The tendency of the Chinese (as well as the Japanese and Filipinos) to engage in the publication of English language newspapers, naturally does not make the outlook for the foreign daily press in the Far East appear any too favorable. The purpose of the founders of foreign newspapers in the Far East, aside from the hope of pecuniary profit has generally been for the purpose of acquainting Oriental peoples with occurrences in the West. It was due to the desire of the foreign communities in the Far East to accomplish this object that the large world news services such as *Reuters*, *Havas*, *United Press*, etc., were induced to extend their services to this part of the world. But with the growth and ensuing prosperity of the native press in Far Eastern countries, the vernacular papers have themselves subscribed for the foreign press services, hence native readers no longer have to depend upon the foreign newspapers for a knowledge of what is happening in other parts of the world.

A CHINESE VIEWPOINT ON ARMISTICE DAY!

ONE of the leading Chinese newspapers in Shanghai, *The Shun Pao*, on Nov. 11 published an editorial on the subject of Armistice Day that was of more than usual interest in that it presented a widely-held viewpoint in the Orient regarding international politics from the standpoint of limitation of armament. Armistice Day, according to the editorial, was fixed by the various nations largely for the purpose of reminding future generations of the horrors of the war. It is therefore an interesting coincidence that Armistice Day this year falls at the time of the League Conference on Limitation of Armament. Armistice Day is supposed to remind us of the horrors of war as a means of avoiding a repetition of a similar catastrophe. The Disarmament Conference aims primarily at laying the foundation for permanent peace in the world. Since the Great War, eleven Armistice Days have been observed and always there are repenting speeches and mournful reflections. For the past five years there has been held annually a session of the so-called World Disarmament Conference. But the members, after leaving the Armistice Day ceremonies always evince a sudden change of mentality when they step into the assembly room of the Disarmament Conference. They immediately begin to struggle and vie with each other for supremacy of armed strength. Obviously, is it not entirely incorrect to say that the apparently mournful feelings and pathetic tears which are poured out on Armistice Day are nothing more than a deplorable sham, because benevolent feelings for humanity are always replaced by the selfish desire for national aggrandizement? Since all countries are vieing with each other, there naturally arise suspicions resulting in the adoption of extraordinary precautions against possible aggression. One may liken this situation to internal politics within a country where the party and political leaders are unable to sacrifice their ideas and the country becomes a prey to civil war. If the leaders of the country would really take the welfare of the people into consideration, they could easily win the support of the people and no one would wish to challenge their authority. If the leaders of the world powers were really interested in the welfare of the people of the world and particularly their own peoples, they would devote themselves to rehabilitation of national affairs instead of sharpening their teeth for another world struggle for supremacy. If they were sincere they would devote themselves to relieving their respective peoples of the extensive economic depression which is devouring everybody like a sweeping flood. But judging from the present trend of world politics, the world's leaders are attending to everybody's business except their own. Everybody is meddling in the domestic affairs of everybody else. Mutual suspicions resulting from this interference constitute the real obstacle in the way of lasting peace!

ARE CHINA'S MILLIONS AN IMMOVABLE MASS?

QUITE often one hears statements by so-called authorities on China that the millions of this country constitute an immovable mass of peasant farmers and laborers who are interested in nothing outside their daily existence; that they have no interest whatever in changing their present mode of living and if left alone would continue in their present status for another thousand years.

While there may be a certain measure of truth in this generalization regarding the so-called Chinese masses, which also might be applied to the mass populations of all countries, we hope that no Western foreign office or groups of Western intellectuals or financiers will accept this generalization as fact. Even though one might accept the truth of the statement, that the millions of China, if left alone, would continue in their present course for another thousand years, it would be a most serious mistake to assume that they will be left alone. The trouble with most of these generalizations about the immovable masses of China is that they are usually made by persons who for some reason or other would prefer to see China's population remain immovable.

The percentage of China's population that is modern-minded, or to express it another way, the percentage that has received modern educational training either in China or abroad, is very small. Some estimate it at two percent, or 8,000,000, based on the total population of 400,000,000. Added to this two percent of so-called modern educated elements in the population there is another ten to twenty percent who are literate, or who can read a newspaper or book printed in simple characters. Also, it must be realized that the number of people in China who can read is rapidly increasing due to the thousands of schools throughout the country and such influences as the "mass-education" movement and the contact of illiterates with literates.

Anyone who will take the trouble to visit a Chinese school or book-store where school books are sold and will make a careful inspection of what is going on in these places will quickly realize that forces are at work which are bound to provide mental stimulus to China's millions. Take the geographies and histories: Whoever designed these books was not lacking in cleverness for they were written with the idea of inspiring present generations of Chinese with an ambition to re-create modern China into some semblance of its past illustrious status. An inspection of the geograghies, for instance, would undoubtedly prove disturbing for the directors of several Western colonial offices because present-day Chinese school children are being taught that large sections of Asia now under the shadows of Western flags, really belong to the Chinese people. The establishment of modern schools in Nanking and Mukden for the educational training of the children of Tibetans and Mongolians is a most significant manifestation of modern Chinese imperialism as exemplified in the Nationalist movement. Even though one is not able to read the Chinese language an inspection of the modern illustrations which appear in the Chinese school books will provide an inkling regarding the so-called modernization process now stirring Asia.

Last week between two and three hundred Chinese businessmen, bankers, manufacturers and officials from various parts of the country met in Nanking to attend the sessions of the Commercial and Industrial Conference. One of the reports in the Chinese newspapers stated that more than 400 resolutions were proposed. These proposals apparently covering about every subject under the sun, were, however, finally boiled down at the concluding session to a manifesto which summarized the chief points. These were grouped under ten headings, including (1) the necessity for early treaty revision on exterritoriality and the tariff; (2) cooperative effort on the part of Chinese producers in distributing and marketing their products; (3) reorganization of the revenue system, including abolition of miscellaneous and exorbitant taxation necessary for the development of industry and commerce; (4) monetary reform, including the reorganization of the currency with the ultimate object of adoption of the gold standard; (5) introduction of scientific management and rationalization of industry; (6) opening of factories for the development of the country's basic industries; (7) introduction of improved methods of production to enable Chinese products to compete in foreign markets; (8) cooperation of capital and labor to minimize industrial disputes and ameliorate present adverse conditions of labor; (9) plans for promoting new industries, safeguarding foreign and domestic investments and promotion of vocational training as a means of relieving unemployment; (10) organization of financial organs and transportation services to accelerate development of foreign trade.

No one of sane mind can dismiss this conference and the resolutions passed as meaningless gestures of a few intellectuals or as something forced on China by foreigners. The conference was a purely Chinese meeting engineered by a few far-sighted leaders who knew what they wanted and adopted this means of obtaining the cooperation of the industrial, commercial and financial leaders in the accomplishment of their ambitious program. Probably it will not be long before these various resolutions are translated into governmental programs and policies. Admittedly they cannot be carried out immediately, but they constitute something to be worked for and accomplished in the future.

It's a favorite subject of conversation in the treaty-ports that no modernization is being accomplished in China except as a result of foreign enterprise. This is another generalization which is only correct from the standpoint that what China is now doing, has previously been accomplished in Western lands. But foreigners are exerting little influence further than where they find it profitable to cooperate in the sale of foreign goods. An American who recently returned from the famine districts of Shensi province told of a Chinese merchant who is putting in an important irrigation project and doing the whole job himself. Others who have been in Szechuen tell of vast road-construction projects which are being pushed through by the Szechuenese who are thousands of miles away from the so-called progressive influence of the foreigners in the coastal ports. Foreigners had very little to do with the street-widening plans and modernization of Canton; as a matter of fact the nearest foreign influence to Canton, the proprietors of the rival British Hongkong colony are not displaying any great enthusiasm because the Cantonese have awakened to the commercial possibilities of their city. Foreigners had little to do with the vast Chinese industrial development in the Chinese city of Wusih, midway between Shanghai and Nanking, except to sell the Chinese manufacturers the machinery they needed for their cotton mills and silk filiatures. Shanghai foreigners will say that it was the result of foreign influence at Shanghai that the Chinese developed Wusih, but on the other hand the same foreigners will tell you that it is impossible for the Chinese to operate factories outside of the foreign settlements. To cite another example of a Chinese development of vast consequences, take the Chinese-constructed railways of Manchuria which already have broken the monopolies of the Japanese-owned South Manchuria line and the Russian-controlled Chinese Eastern line. Neither the Japanese nor the Russians wanted these new Chinese railways and both did everything possible to block their contruction, but the Chinese put them through in spite of the opposition. Also, it would require a rather wide stretch of the imagination to think of the Japanese assisting the Chinese in the construction of the Port of Hulutao which undoubtedly will soon become an important rival of the Japanese-controlled Port of Dairen.

And last, but not least, in the modernization processes in China is the much-maligned Chinese army which is one of the most potent modernization factors in the entire country. Although the Chinese army, made up of vast masses of poorly trained men, bears little resemblance to the modern military machines of Japan or Western nations, it does constitute an important element in the modernization of the country. It picks up thousands of boys in the interior villages and towns and sends them on educational trips from one end of the country to the other. In this way the youths of Canton learn about the Yangtsze Valley and North China and the boys of interior Shensi and Kansu learn about the seaboard

districts. The officers in the Chinese army constitute the raw material from which China is obtaining her new class of administrative officials. The downfall of the Manchu Dynasty eliminated the old ruling class of administrators; the modern Chinese army is filling the gaps in the provinces as well as in the national government.

The first Chinese class of students sent abroad by the Empire in the years between 1872 and 1875 consisted of 120 boys between the ages of nine and fourteen. Most of them returned to China in 1881. There are thirty-five of these men still living and a remarkable number were successful in the various lines of work which they engaged in upon returning to their native land. Roosevelt's action in remitting a portion of the American share of the Boxer indemnity in 1908 provided further means for foreign study on the part of Chinese young men and women, but foreign pressure hasn't been the sole impetus for what has amounted to a most amazing hejira of Chinese students to Western colleges and universities for their educations. Now we find Chinese cotton manufacturers sending students to Osaka and Manchester to learn the newest methods of production; of Chinese banks in Shanghai sending students to New York and London to work in western banks; of young men being sent to Germany and France on trips of investigation.

We have no wish to minimize foreign influence in China. The first modern schools in China were established by American missionaries and the first factories in Shanghai were established by Britons, but the time is long past when the foreigners exert the sole motivating influence. The Chinese have taken the bit in their own teeth and are now running the show and they will continue to do so in rapidly increasing proportions. As a matter of plain fact, most foreigners directly interested in Chinese development think that the Chinese are progressing altogether too rapidly for the comfort of the foreign residents of the country. Admitted fully and completely is the contention that the modern-minded elements in the population constitute an infinitesimal percentage of the total population, but in this instance it is the little that counts. Chinese officials, bankers, industrialists, educators, businessmen now realize the almost limitless possibilities of their country and they are seeing to it that things are being done and they are seeing to it that the inert masses are being moved to do things which they would not under ordinary conditions do. If a German or Englishman visited San Francisco or Los Angeles and wanted to find out who ran the city, he would be directed to a mere handful of commercial and industrial leaders. If someone wanted to put over some movement or special propaganda in any American city or state, he would be told that he must first obtain the support of certain "key" men before he could be successful. The fact that most of the Americans are literate would greatly facilitate the rapidity or success of the movement, but it's the leaders who count. A few years ago the Western world ridiculed the possibility of any earthly influence being able to wake up the semi-civilized masses of Russia. But a few determined leaders in Moscow seem to have accomplished that process altogether too quickly for the comfort of other nations. Similar things are being accomplished in China and while the wakening process is still in its initial stages, there should be no under-estimating the possible final results. In other words the Western world should guard itself against making mistakes here as it did in respect to Soviet Russia.

Will Shanghai Remain "Safe" for Dog-Race-Gambling?

ALTHOUGH the local British Consul-General, J. F. Brenan, supposedly with the full support of the British Minister, Sir Miles Lampson, has come out flatly against a continuance of greyhound racing and its accompanying pari-mutuel gambling evil, it still remains to be seen whether the municipal authorities of the Shanghai International Settlement will put an end to these institutions, operated by foreigners on Chinese soil in open violation of the laws of both China and Great Britain.

The reason why it is extremely questionable whether the municipal authorities of the Settlement will close these gambling joints, which depend for their profits upon Chinese patronage, is due to the opposition to closure which has been raised by the foreign commercial and financial interests which make big profits out of these iniquitous institutions. In order that readers of *The Review*, particularly those residing in the United States and Great Britain, may have some idea of the extent of the greyhound racing and gambling evil which is maintained under foreign exterritorial protection in this city, it should be explained that there are three greyhound-racing-pari-mutuel institutions operated in the International Settlement and French Concession. The two which are operated in the Settlement, "Luna Park" and the "Stadium" are both incorporated under British law. The one in the French Concession, known as the "Canidrome" is incorporated under French law. Luna Park and the Stadium are capitalized at $500,000 each, while the Canidrome is capitalized at $600,000, the total capitalization of all three being $1,600,000. All three of these gambling institutions are private companies designed for profit and they have been profitable, due to the well-known Chinese weakness for all forms of gambling. Luna Park last year, the first year of its operation, showed a profit of $284,800 of which sum, $234,800 was paid out in dividends to the stockholders, and the balance, or $50,000 donated to local charities. The other British dog-track, for some reason was not so profitable, and only paid a dividend of $60,000. According to popular report it was "squeezed" considerably by certain Chinese officials due to the fact that a section of its property is located outside the foreign settlement and in Chinese territory. The French-incorporated dog-track, the Canidrome, although popularly supposed to be the most profitable of the three, paid no dividends last year due to the fact that the local French officials forced it to disgorge its profits in the form of taxes and "fees," the local French officials apparently feeling that if local Frenchmen *will* operate an illegal institution, they will see that it makes no profit for the promoters.

When these dog-gambling institutions were established here three years ago, they circulat-

ed prospectuses inviting the purchase of shares on the part of the public. The prospectuses frankly held out the bait of big prospective profits due to the fact that greyhound-gambling "will appeal irresistibly to the Chinese." That these forecasts have been made good is shown in the statements of profits. One track is said to enjoy a nightly turnover in excess of $300,000, of which the proprietors take a liberal percentage. According to a recent article in *The Review* by a Chinese writer, who investigated the subject, one track frequently clears as much as $50,000 on one night's entertainment. All three of these tracks are the largest single advertisers in the local foreign and Chinese newspapers, using half and full page space, thus providing the local newspapers with a chief source of revenue. In addition to this advertising, the proprietors of the greyhound-tracks offer other inducements to the public, particularly the Chinese such as a liberal distribution of free admission tickets and even free transportation to and from the tracks.

As shown in earlier discussions of this subject in these columns of *The Review*, greyhound-racing with its accompanying pari-mutuel gambling evil was introduced into Shanghai by British promoters, the French track being established somewhat later. Both of the British tracks, Luna Park and the Stadium, were incorporated under British law and were registered at the local British Consulate-General when Sir Sidney Barton was Consul-General and while E. S. Cunningham, American Consul-General was chairman of the local Consular Body, which organization has final control of affairs within the Settlement. Why the local British Consul-General permitted gambling institutions, obviously illegal under both Chinese and British law, to be established here has long been a matter of speculation. Some say that he did not read the articles thoroughly and others allege that he did not realize the extent of the gambling evil and consequent debauching of the Chinese, but regardless of the reasons he *did* permit the tracks to be registered under British law and thus safe from molestation by the Chinese authorities due to the protection afforded by exterritoriality. As for the American Consul-General, E. S. Cunningham, he can justly say that he was not the keeper of the morals of the British community, but as Chairman of the local Consular Body, the supreme authority in the Settlement, he cannot escape all blame for permitting the dog-gambling joints to be established in the city.

The Chinese authorities, both local and national, protested against the introduction of greyhound-gambling into China by foreign interests, but to no avail, the reason being that the tracks were incorporated under foreign law and thus enjoyed exterritorial protection. Once, when the Chinese protests were especially strong, the local municipal authorities did take steps to limit each dog-track to one race meeting a week, but this action naturally had little effect in curbing the abuse because the proprietors of the tracks simply increased the number of races on the one night of the week when they operated. It is extremely doubtful whether anything would have been done to curb this form of commercialized gambling in the Shanghai foreign settlements, had it not been for the local Japanese community, which recently held a public meeting of protest and announced that any Japanese subjects attending the tracks would be prosceuted in the local Japanese court. This action on the part of the Japanese community, which had the full support of Japanese officialdom, undoubtedly was responsible for the recent general agitation against dog-gambling, for it was not long afterward when S. Fessenden, director-general of the Settlement and Major F. W. Gerrard, chief-of-police, suddenly discovered that there was a close relationship between open commercialized gambling as practiced by the dog-tracks and the prevalence of crime in the foreign-administered areas. Then followed the public indictment of the evil by the present British Consul-General, J. F. Brenan, and a luke-warm statement on the same subject by the local French Consul-General, E. Koechlin. Since that time the local foreign newspapers have been placed in a curious predicament, due, as stated, to the fact that a considerable portion of their advertising revenues come from the dog-gambling-joints. The *North-China Daily News*, local official British newspaper in its issue of Saturday, Nov. 8, even went to the extent of publishing on its sporting page a long defense of the greyhound tracks and a denial of the charges that dog-racing was responsible for the local crime wave.

That the proprietors of the British-incorporated dog-tracks intend to put up a strong fight against suppression was indicated in the publication on Nov. 10 of full page advertisements in all the foreign newspapers which contained copies of letters which were exchanged in 1927 between the promoters of the dog-tracks and the Municipal Council. The first letter, signed by the well known British law firm of White-Cooper and Company, asked the Municipal Council's cooperation in the establishment of the tracks and offered to pay the Council a percentage of the profits of the pari-mutuel gambling. The Deputy-Secretary of the Council, J. M. McKee replied to this communication declining acceptance of a percentage of the profits of the gambling feature, but offering to accept certain tax fees amounting to 10 percent of the net profits or 1 percent on the gross turnover. These letters were dated between August 12, 1927 and May 22, 1929, but later, on June 10, 1929 the Council apparently changed its attitude and wrote another letter wherein it was charged that greyhound racing here was not being conducted in accordance with the practice in England, hence a license was refused. The advertisement conveying the foregoing information was signed by W. R. McBain, prominent British resident of Shanghai, who is chairman of the Greyhound Racing Association (China) Ltd., and Executive Committee, Greyhound Racing Club. In an interview regarding this correspondence, Stirling Fessenden, director-general of the Settlement on November 11 declared that "If the foreign community wish to have continued predominant control of the administration of the International Settlement, and wish for the continued support and protection of the three chief foreign powers—Great Britain, America and Japan—they will have to show that the Settlement is something better than a Monte Carlo. Mr. Fessenden declared further than the Municipal

Council never had received a cent from the greyhound-gambling joints and while there may have been some kind of a tacit understanding that a license would be issued, that no such entertainment license had ever been issued. Mr. Fessenden stated that he was not objecting to greyhound-gambling on moral grounds, but purely from the standpoint of public opinion abroad, and particularly the attitude of foreign governments regarding the prevalence of gambling in the Shanghai foreign settlements.

That the responsible Chinese interests in the International Settlement as well as the officials of the National Government are solidly behind the move to close the dog-gambling joints was further indicated in letters addressed the Municipal Council by the Chinese Ratepayers Association during the week. The letters expressed the appreciation of Chinese residents of the Settlement that the Settlement authorities had made the first move oward eliminating the menace, and also expressed regret that action had not been taken earlier. The Chinese Ratepayers (voters) Association includes in its membership practically all Chinese in the International Settlement who own sufficient property to entitle them to vote for Chinese candidates for the Municipal Council. In a letter received by The Review from a prominent Chinese businessman the suggestion was made that if British interests in China look upon dog-gambling as a vital British industry, they should transfer their activities to the British Colony of Hongkong where the dog-racing-gambling evil would not prejudice the interests of peoples of other nationalities who are interested in legitimate trade.

Of further interest in connection with the whole question of gambling in the foreign ports on the China coast was a report from *The Review's* correspondent at Hongkong on Nov. 11 stating that the Government of Macao, Portugese colony on the South China Coast had just awarded the five-year "Fan-Tan" gambling monopoly to a syndicate of Macao Chinese who had agreed to pay to the Macao treasury an annual revenue of $1,400,000 for a period of five years. The sum represented an increase of $140,000 over the amount paid by the previous monopolists.

Of considerable interest in connection with the agitation against dog-gambling in the foreign settlements, was a resolution passed by the Shanghai Foreign Missionary association pledging its support to the clean-up campaign. The foreign newspapers devoted exactly eighteen lines on an inside page to this resolution. But while the editors of the local foreign newspapers, with their eyes on the greyhound-advertisements, have generally side-stepped the issue, one local British writer has not remained silent. H. G. W. Woodhead, former editor of the *Peking and Tientsin Times*, but now the contributor of a daily column of comment in the local American paper, *The Evening Post*, has thoroughly exposed the whole greyhound-gambling situation and showed its intimate connection with the matter of the continued foreign status of the Shanghai settlements. Mr. Woodhead's articles are reprinted herewith, a careful perusal of which will show that the whole claim of the foreigners for a continuance of foreign protection of the Settlements falls down so long as the foreign authorities here permit the Settlements to continue as they are at present, the chief gambling centers of the Far East!

Dog-Race-Gambling and the Question of Extraterritoriality and the Status of the Foreign Settlements!

BY H. G. W. WOODHEAD, C.B.E.

I

Last week's *Municipal Gazette* contained no further reference to the problem of "commercialized gambling" and the public, therefore, still remains in ignorance as to the views and intentions of the Council on this question. Most foreigners, I think, feel doubtful whether a campaign against such gambling confined to the International Settlement alone, would produce tangible result in the form of diminishing local crime.

And as I have already suggested, if one adopts a strictly logical attitude it is difficult to say precisely where "commercialized gambling" begins and ends, and whether, for example, betting at one of the greyhound courses is more immoral than speculating on the Gold Stock Exchange.

Where Logic Fails

In Shanghai, however, and especially in the International Settlement, the problem assumes a form where logic, and consistency, cannot be regarded as conclusive guides. The main argument in favor of perpetuating foreign control of the Municipal Administration of the Settlement is, and must remain, the provision of a better municipal government than that found in the adjacent Chinese areas.

The Chinese authorities—whether they were at all times sincere or not is really immaterial—have consistently objected to the introduction of greyhound racing. Protest after protest has been addressed to the Consular Body and the Municipal Council. The former is not in a position to act because the two greyhound courses which operate in territory under Municipal control are registered as British Companies; the latter would find it difficult to take effective action for the same reason.

Foreign Reactions

We have to consider then, what would be the effect upon the average British legislator at home when the problem of the future status of the Settlement came up for discussion, were he to be told that two British companies were operating greyhound courses in Settlement territory, in defiance of Chinese law, and in the face of repeated official protests from the Chinese authorities?

What would he think if he learnt, further, that no such institutions were permitted in Chinese controlled territory, and that every week during the protracted greyhound racing season, thousands of Chinese attended these courses, in violation of the laws of their country? Such rejoinders as: that gambling is winked at throughout China, that a greyhound course also operates in the French Concession, that pony-racing with its attendant pari-mutuels and cash sweeps is tolerated—on payment of substantial sums in cash to the local authorities—would certainly leave him unmoved.

He would not be satisfied that it was justifiable to use British extraterritorial rights for the purpose of exploiting the Chinese passion for gambling in an area in which British influence predominates. And he would not consider it right for British official protection to be extended to enterprises of this kind.

The American View

In America we should have to expect much the same reaction. Typical of the sort of thing appearing in the American journals regarding Shanghai is an article in the *American Mercury* for August last.

The author (Edgar Snow) describes the Settlement as "a poorly camouflaged British Colony." And he goes

on to allege that "it is said that in the International Settlement and the French Concession there are more gamblers, more opium addicts, more criminals, more diseased persons, and more illegitimate children than in any other large city under occidental administration.. Other divertissements exist in the form of horse-racing, dog-racing, hai alai, fantan, roulette, and mah jongg tables. In the Orient only Macao rivals Shanghai in the variety of its gambling enterprises." These statements may be exaggerated but they contain a substratum of truth.

If at any given moment the American Government were wobbling in its policy regarding the status of Shanghai such allegations, which it would be difficult conclusively to refute, might turn the scale against the interests of the Foreign community.

A British Monopoly?

And then, to go rather further afield, there is the attitude of other Powers, most of them with less important interests in Shanghai, it is true. Supposing, for a moment that the promoters of Hai Alai, encouraged by the huge receipts of the Settlement greyhound courses, were to demand the right to operate within Settlement limits.

What would be the attitude of the Municipal Council? Toleration of the introduction of yet another form of commercialized gambling would, I think, arouse general disapproval. Yet the promoters might well ask, if the Council refused to tolerate it, whether a monopoly of gambling rights had been reserved to British Greyhound Companies.

And though it is a fact that neither of the greyhound course has a Municipal licence, or any other municipal authority to operate, the Council would expose itself to very acrid criticism were it to lay itself open to the charge of tacitly acquiescing in greyhound racing, and actively opposing Hai Alai.

Early Opposition

Little purpose will be served by recriminations at this juncture. But it is obvious that both the British Authorities, and the Council are open to grave criticism for the introduction of greyhound racing into the Settlement. It is not, in my case, a question of being wise after the event. When the first greyhound racing prospectus came to my notice in January 1928 I wrote:

"It is, of course, anticipated that Chinese will succumb to the passion for gambling on the dogs, just as the public has done at home. It is quite probable that this expectation will be fulfilled. Chinese are far more prone to gambling than the average Briton. It is probable that Shanghai already has more race meetings per annum than any other city of the same size in the world. And with greyhound racing in the evening, there will soon be few days in the year on which an incentive to betting is not provided in, or adjacent to, the Model Settlement. It would, one would think, be more appropriate, in a city which for several years has been living on a volcano, to restrict, rather than augment, the facilities for gambling. Let us admit for the sake of argument that gambling is only a serious evil when carried to excess. Can it seriously be pretended that this new temptation to bet can prove successful without inducing excessive gambling? Is it really consistent either with foreign prestige, or foreign interests, to introduce into Shanghai a so-called sport, whose sole attraction is the opportunity it offers for betting on the dogs?"

"Animated Roulette"

At that time the spread of greyhound racing in England was causing serious concern to the Government. To a deputation headed by Mr. J. H. Thomas, the then Home Secretary, Sir William Joynson Hicks admitted his concern, adding a warning to those investing in greyhound racing enterprises that the matter would receive the serious attention of the Government in the near future. About the same time, when an attempt was made to place greyhound courses on the same footing as Horse Racing in the matter of betting legislation, Mr. Winston Churchill, Chancellor of the Exchequer successfully opposed it, on the ground that dog-racing was simply "animated roulette."

That the British Consular authorities should have registered companies formed for the sole purpose of promoting dog-racing (in one of whose prospectuses it was stated "that it will appeal irresistibly to the Chinese there can be little if any doubt"), and that the Municipal Council should have allowed the inauguration of the greyhound courses to pass without protest, in view of the widespread opposition to this form of "sport" in official circles at home, seems inexplicable.

If there were influential objections to it in England, how much greater ought the opposition to have been to its introduction into an Oriental Country, for the express purpose of exploiting the Chinese. Neither Singapore nor Hongkong would tolerate it; Tientsin turned it down; and it has, I believe, been prohibited in Australia, where there is certainly no general opposition to the association of betting with sport.

II

The quesion of the future status of the International Settlement of Shanghai will arise in an acute form after the publication of Mr. Justice Feetham's report, which may be expected to be submitted to the Council early in the coming year.

As this distinguished Jurist has been given an entirely free hand in his investigations and recommendations, it seems hardly possible that he can overlook the question of commercialized gambling in the Settlement, especially now that it has been made a public issue by the publication of the recent correspondence between two Senior members of the Council's Staff.

Judge Feetham's Report

It is inconceivable that Judge Feetham will express approval of the shielding by the British Consular, or Municipal Authorities of a form of gambling which is contrary to Chinese law, and, I believe, violates British law also. And were he to animadvert strongly upon this anomaly, it is only too likely that propagandists abroad would make the utmost capital out of his strictures for the purpose of discrediting the Foreign Administration of the Settlement.

It would be greatly to the advantage of the International Settlement if this problem were disposed of, so far as the British and Municipal Authorities are concerned, before the problem of Shanghai's future status attracts the attention of the Foreign Governments and Legislatures.

Dogs and Ponies

I suggested in my last article that the problem of commercialized gambling has assumed a form where logic and consistency cannot be regarded as conclusive guides. But it may be as well to touch briefly upon some of the arguments that will unquestionably be adduced by the advocates of greyhound racing. They will ask, of course, whether it is any more immoral than pony-racing, and why objection is taken to pari-mutuels at greyhound courses, when no attempt is being made to suppress them at the Race Clubs?

There are, as a matter of fact, very great differences between horse-racing and greyhound racing. In the first place horse-racing takes place only in the day time, and at somewhat infrequent intervals, and it is impossible, therefore for the masses, who have to continue to earn their daily livelihood to attend the meetings. Moreover, entrance fees are always charged for admission to the Courses.

Furthermore, horse-racing is a real sport, with centuries of tradition behind it, and though betting is usual, it is not an essential accompaniment. Most if not all of the Race Courses in the Far East are owned by bonafide Clubs, which are not operated for the purpose of making profits, and which do not pay dividends to any shareholders.

Surplus earnings are used to increase the value of the prizes, to improve the Club's property, or to assist local charities.

Dividends From Dogs

Greyhound racing takes place after dark when men and women of all classes are free to attend. It is operated not as a sport, but for the purpose of providing substantial dividends for the shareholders. If the betting element were eliminated it is doubtful whether it would pay to hold one meeting of all three Shanghai courses in a month.

The Companies take a definite percentage of the betting turnover, and when it is stated that not infrequently the turnover at one Course on a single night, exceeds three hundred thousand dollars, it is unnecessary to emphasize the extent to which the betting craze has captured the public. By far the larger number of those attending are, of course, Chinese. No greyhound racing course in Shanghai could even be made to pay expenses on foreign patronage alone.

No Municipal Licence

An idea prevails that the two Greyhound racing courses operating in territory under the control of the Settlement Council, have received licences from that body. This is not the case. The Council, at the outset, came perilously near committing itself by an arrangement under which it would have received, in lieu of licence fees, a definite percentage of the gross takings of one of the Courses. But it recognized the implications of such an arrangement in time to avoid a committal which could only have been construed as making it a partner in a form of commercialized gambling.

Both Courses have always operated, and operate today, without a licence of any kind. And when the Council decided to withdraw police protection unless racing were restricted to one night per week, it definitely refused to give any undertaking that no further limitations would be imposed. It is therefore under no obligation, moral, or legal, to either of the greyhound racing concerns. And there is nothing to prevent it, especially if it has the consent of the British Consular Authorities, from imposing further restrictions upon greyhound racing, with a view to its complete suppression by a definite date.

Dog-Racing Must Go

Ought the Council to take such action? In my opinion it ought, and in so doing it should receive the support of an overwhelming majority of the Foreign community. It is not a question, now, of whether dog-racing is more immoral than horse-racing. It is not, in my view, even a question whether the suppression of dog-racing in the Settlement will really result in a serious diminution of local crime.

The real issue is that a questionable form of so-called sport, which provides popular gambling facilities far in excess of those of any other local amusement, is conducted under British auspices on Chinese territory, and if continued, will cause serious embarrassment to the British and the Municipal authorities. Neither the British Government nor the British community can wish to expose themselves to the charge that British institutions enjoy a monopoly of popular commercialized gambling in the Settlement; and a majority of the whole foreign community would, I think, object to the intrusion of other forms of public gambling, such as those connected with Hai Alai, in order to rebut this charge.

Although dog-racing has attained abnormal proportions, it is relatively an insignificant interest compared with the substantial British interests which have so large a stake in the prosperity and good government of Shanghai. Is it worth risking the premature relaxation of those safeguards which nearly all foreign residents regard as essential for the welfare of Shanghai, by the continued toleration of enterprises which reflect discredit upon the Settlement, abroad, and are a source of increasing embarrassment to the local municipal and consular authorities? There can, I think, be only one answer. Dog-racing must go. But it does not follow that its immediate suppression would be equitable, or practicable. A reasonable period, not exceeding, say, twelve months from the date on which notice is given, should be allowed to elapse to enable the companies to liquidate with the minimum of loss—if they suffer any loss at all. It should not be necessary, if this policy is decided upon by the Council, and meets with no opposition from the British authorities, to have recourse to threats. But if the Council were defied, it would only be necessary to cut off access to the municipal roads, as has been done in former years when public gambling attained the dimensions of a public nuisance. If it be necessary to employ a threat of similar action it will be made, not to coerce the British concerns, but to preclude the possibility of the transfer of the courses to the protection of another flag.

Prospects for the Fourth Plenary Session

WITH the two major military leaders of the country and with some fifty members of the Central Executive and Central Supervisory Committees of the Kuomintang in Nanking at the opening session of the Fourth Plenary Congress, prospects appear favorable for what is generally looked upon as the most important political meeting that has been held in China in recent years. The Fourth Plenary Congress officially opened on Nov. 12, immediately following a memorial service in commemoration of the birthday of the late Dr. Sun Yat-sen. The delegates then proceeded to the Sun Yat-sen Mausoleum for the unveiling ceremony of a life-size statue of Dr. Sun. Actual business sessions of the Congress were scheduled to begin on Thursday, Nov. 13 and will continue for several days.

A dramatic turn to the political situation, incidental to the opening of the Kuomintang Congress, was the arrival in Nanking of Marshal Chang Hsueh-liang, head of the Manchurian administration and commander of the military forces in North China, Marshal Chang's party, including his wife and staff arrived at Pukow, opposite Nanking, aboard three special trains on the early morning of Nov. 12, where they were greeted by Gen. Chiang Kai-shek and other officials of the National Government. Marshal Chang announced that his purpose in coming to Nanking was to attend the session of the Fourth Plenary Congress and confer with Gen. Chiang Kai-shek on matters pertaining to the military situation in North China as well as the general situation in Manchuria. Gen. Chiang Kai-shek, President of the Government, who had been visiting his home village in Chekiang province, proceeded to Nanking on Nov. 10 in order to make preparations for the opening of the Congress as well as the reception of Marshal Chang Hsueh-liang. Nanking was bedecked with flags and took on a gala appearance thoroughly in keeping with the importance of the political matters to be considered at the forthcoming meeting.

The semi-official Kuo Min news service on Nov. 11 reported that some sixty proposals ranging all the way from purely Party measures to high affairs of state and foreign policy, had been received by the secretariat of the Central Party Headquarters for consideration at the Congress. That the question of a quorum will not perplex the delegates as it frequently has in the past, was indicated in the publication of the names of practically sixty members of the Central Executive and Central Supervisory Committees who were in Nanking for the opening session. The only absent faces apparently, were those of the two Northern Generals, Yen Hsi-shan and Feng Yu-hsiang, leaders of the recent rebellion against the National Government and Wang Ching-wei Left Wing Kuomintang leader, who participated in the late Northern rebel administration and now according to popular report has left the country.

Members of the Central Executive and Central Supervisory Committees either in the Capital or scheduled to arrive in itme for the opening sessions, were announced as follows: **Central Executive Committee:** Chiang Kai-shek, Hu Han-min, Tai Chi-tao, Sun Fo, Chen Kuo-fu, Chen Ming-shu, Yeh Chu-tsang, Chu Pei-teh, T. V. Soong, Li Wen-fan, Wang Peh-lin, Shao Yuan-chung, Chu Chia-hua, Yang Shu-chuang, Chen Lih-fu, Chen Chai-ying, Liu Chi-wen, Liu-yin, Tseng Yang-pu, Fang Cho-hui, Wang Peh-chun, C. T. Wang, Chen Yao-heng, Chang Tseng, H.H. Kung, Liu Wen-tao, Kuei Chung-chi, Yu Ching-tang, Chang Chun, Liu Chih, Ting Wei-fen, Ma Chao-

chun, Ko Hsing-ya, Miao Pei-cheng, Chao Yi-tang, Yu Yiu-jen, Ho Chen-chun, and Chow Chi-kang. **Central Supervisory Committee:** Wu Chih-hui, Wang Chung-hui, Shao Lih-tse, En-Ke-Pa-Tu, Tsai Yuan-pei, Lin Sen, Chang Chi, and Chen Pu-lai.

While additions probably have been made to the agenda recently, the Standing Committee of the Central Executive on October 9 announced the following as the most important matters which would receive the attention of the Fourth Plenary Congress:

1—Calling of the People's National Convention.

2—Enforcement of the new national tariff and abolition of likin.

3—Foreign policy of the Government during 1931.

4—Revision of the program for the so-called Political Tutelage Period.

5—Reorganization of the National State Council.

In addition to these proposals, Gen. Chiang Kai-shek on Oct. 11 and 14 issued Manifestos to the people wherein he outlined five urgent post-war tasks upon which he declared the Government must concentrate its attention. These were:

1—Eradication of communism and banditry.

2—Rehabilitation of National finance.

3—Development of an efficient and honest governmental administration.

4—Development of productive enterprises to relieve unemployment and provide work for disbanded soldiers.

5—Enforcement of local autonomy throughout the country.

The *Sin Wan Pao* on Nov. 12 published a dispatch from its correspondent in Nanking listing the following subjects as constituting the agenda of the Fourth Plenary Congress:

1—Convocation of a National Assembly.

2—Early convocation of the Fourth National Kuomintang Congress.

3—Granting of general amnesty to political offenders.

4—Filling of vacancies on the Executive and Control Yuans.

According to reports which appeared in the Chinese newspapers on Nov. 12 Gen. Chiang Kai-shek has reiterated his determination to press for definite action in regard to the calling of the so-called People's Conference. A further proposal, to be introduced by Sun Fo and other delegates provides for a radical change in the present provincial system of the country and providing for the elevation of the political status of the districts. The scheme provides for a greater degree of autonomy in the districts, entitling them to retain revenues previously collected by the provincial governments. The general purpose is to obtain more administrative efficiency and minimize causes of rebellion due to too great power being placed in the hands of the provincial governors.

Many observers of the Chinese political situation who have been watching the recent trend of events forecast that the chief problem of the Fourth Plenary Congress will be to broaden the scope of the Kuomintang in order to facilitate political reconstruction in North China and pave the way for the permanent incorporation of the Manchurian provinces into the general political entity of the whole country. Northern Chinese political interests recently have demanded a liberalization of the Central administration at Nanking in the direction of constitutional government and a shortening of the so-called Period of Political Tutelage. Gen. Chiang Kai-shek, in his public utterances since the conclusion of the recent military activities has evinced sympathy toward this point of view, but many of the political elements closely affiliated with the inner circles or "old-guard" in the Kuomintang have not evinced over-enthusiasm for this point of view and have argued in favor of a strict interpretation and close following of the program laid down by the late leader of the Party, Dr. Sun Yat-sen.

From the standpoint of economic reconstruction, it was significant that the Government was able to carry through to a succesful conclusion the National Industrial and Commercial Conference which concluded its sessions in Nanking a few days prior to the opening of the Kuomintang Congress. The results of this Conference, discussed elsewhere in this issue of The Review, undoubtedly will constitute the chief points of the economic discussions of the forthcoming political meeting. An important phase of this subject, pertaining to railway construction, was announced by Sun Fo, Minister of Railways on Nov. 11. Sun Fo's recommendations include the use of two-thirds of the unexpended portions of the Russian and Italian shares of the Boxer Indemnity for the completion of the Lung-Hai railway, the chief object being to extend this important line into the famine-devastated regions of Shensi and Kansu. Several weeks ago the Government ratified the agreement concluded with the British Government for the use of the unexpended portion of the British share of the Indemnity, amounting to approximately G.$55,000,000, for the completion of the Canton-Hankow railway and the purchase of new equipment for other railways which are in a seriously run-down condition due to the civil wars of the past decade. River reclamation and irrigation projects in arid districts to provide employment and places of settlement for famine victims, also are included in the plans for economic reconstruction.

Chief among the subject under the heading of political reconstruction is what to do with Yen Hsi-shan and Feng Yu-hsiang, leaders in the recent revolt against the Central Government. The Government has continued its air-bombing of Gen. Yen's headquarters and arsenal at Taiyuangu, while Yen has continued to dilly-dally with the matter of his enforced retirement from the politico-military stage and recently has been accused of continuing his past tactics of fence-riding and intriguing between the two major leaders, Chang Hsueh-liang and Chiang Kai-shek. As for Feng Yu-hsiang, he apparently has settled down with some 30,000 of his men in southern Shansi province and is waiting to see what will happen. The Government has demanded that both Feng and Yen depart from the country and turn over their troops to the Government to be reorganized, but neither has evinced any enthusiastic desire to comply with the Government's deinands. Ac-

cording to popular report this matter will not only be considered by the Kuomintang Congress, but will also constitute a chief subject in the conversations of Chiang and Chang. As to the communist and bandit situation south of the Yangtsze, the Government forces are all mobilized for an advance into the red-infested areas of Hunan and Kiangsi, but it is unlikely that a real move will be made until after the Kuomintang Congress, one important reason being that all of the chief military leaders are in Nanking attending the Congress. In South China the attempt to patch up a reconciliation with the Kwangsi rebel troops apparently has proved abortive, according to recent reports from Canton, which stated that the Government had ordered another advance into Kwangsi province for the purpose of definitely winding up the campaign against the rebel remnants in that area.

In further reference to the attitude of Marshal Chang Hsueh-liang toward the general political situation, the Japanese Rengo service on Nov. 9 circulated an interview with a spokesman of the Manchurian Party stating that Marshal Chang Hsueh-liang is in full accord with the aims of the Central Government as regards the present situation and intends to devote his energies to reconstruction in full cooperation with Gen. Chiang Kai-shek and other officials of the National Government. He also declared full accord with plans for the final disposition of the Kuominchun and Shansi forces and stated his expectation that the leaders of these two groups would shortly retire. In regard to Yen's plans in this respect, the Rengo service also circulated a dispatch from Peiping quoting a circular telegram issued from Yen's camp which quoted the leader of the Shansi faction to the following effect:

"In order to strengthen the party and the state as well as return the country's politics to its normal road, I have tried to induce Generalissimo Chiang Kai-shek, Marshal Feng Yu-hsiang and Mr. Wang Ching-wei to resign from their respective posts, thereby creating a democratic party politics. But, this attempt was frustrated due to stubborn opposition on the part of the Nanking Kuomintang leaders and I was forced to meet them in the battle field. Once the war was started, I was but shocked to see the miserable plight of the people suffering from the inevitable development of warfare and I have now realized that it is practically impossible to hope for the improvement of politics through civil war. Furthermore, continuation of war was made unnecessary due to the fact that the opposition faction has practically recognized our propositions. I have lost nearly all of my military strength. Consequently, I have decided to transfer the administrative powers in Shansi, Cha-har, Suiyuan, Shensi, Kansu and Chinghai to the competent authorities."

In the meantime Marshal Chang Hsueh-liang has transferred the major portion of his air forces from Mukden to Peiping and the National Government has established its air-base at Chengchow, in northern Honan, both Peiping and Chengchow being within easy bombing distance of Yen's and Feng's headquarters in Shansi province.

Not the least in popular interest from the standpoint of political reconstruction was an order issued a few days ago by the Central Political Council lifting the press-censorship from the Chinese newspapers throughout the Country. This was accompanied by a definite order issued by the Publicity Department of the Central Party Headquarters in Nanking, to the various Chinese newspapers to immediately adopt the so-called "Pei-Hua" or colloquial style of Chinese characters in place of the old classical "Wen-Yen" style which is still being used by most of the papers. The order pointed out that inasmuch as the newspapers constitute an important channel of education of the people, it is imperative that they should use a form of language which is easily understood by the masses of the people instead of the old classical style which is understood only by the so-called intellectuals. It was pointed out that the newspaper publishers should adopt the simpler style in their own interests as it would enable them to obtain larger circulations.

More Freedom for the Press in China

The Republican Daily News, a newspaper published in Tientsin in the interests of the National Government, which was closed down six months ago by General Yen Hsihshan, will resume publication next week. The National Government has granted the paper a monthly subsidy of $7,000 to cover operation expenses.

A *Kuo Min* dispatch from Nanking states that the press censorship throughout the whole country is to be discontinued, now that the military warfare is over.

At a reception to press representatives in Nanking November 6, Liu Lu-yin, Director of the Publicity Dement of the Central Party Headquarters, expressed the hope that the Press will recognize the heavy responsibility which will henceforth be placed upon it and that newspapermen will exert themselves accordingly to lead the people in the maintenance of public peace and order, observance of the law and the support of the interests of the nation.

Mr. Liu dealt first with the necessity under which the Government was constrained to exercise press censorship which caused, undoubtedly, a certain amount of inconvenience not only to the Press but also the official censors. He pointed out that during the period when military operations were in progress against the Yen-Feng rebels, news concerning the political situation, which came from various sources were liable, if uncensored, to mislead the public and produce grave consequences. Now that the punitive expedition has been brought to a successful conclusion, the Government does not hesitate, the director continued, to restore full liberty to the Press by turning the responsibility back to them to shoulder.

Formosa Incident Strongly Criticized in Japan

The outbreak of the Musha tribe in Formosa has caused a sharp political controversy in Japan. *Rengo* dispatches from Tokyo indicate that there will be sharp criticisms, in the forthcoming session of the Japanese Diet, of the Governor General's administration of Formosa, although the latter is seeking an understanding telegraphically with the leaders of all parties of the Upper House. At a meeting of the Kosei-kai and the Koyu Club held November 10, the massacre was hotly discussed, several speakers criticizing the Formosan Government authorities for failing to nip the tragedy in the bud.

In the meantime the Japanese army, which had occupied the stronghold of the insurgent savages and suppressed most of the insurgents is being withdrawn to the rear stations, the commander of the army having found it practicable to allow the police authorities to resume control.

Earlier dspatches from Formosa stated that in an engagement between Formosan tribesmen and Japanese troops 16 Japanese solders were killed.

The Formosan ringleader of the revolt has committed suicide.

About 40 dead bodies of the natives were discovered. Japanese victims totalled 122 dead, with 17 still reported missing.

Some Results of 35 Years of Japanese Rule in Formosa

BY EDGAR SNOW

(Written for the New York Sun).

Although born of Chinese parents, this "Japanized" policeman in the city of Tainan, knows but a few words of Chinese. He has, however, a fluent knowledge of Japanese and can execute a perfect act in Japanese custom when bowing to foreigners.

TAIHOKU, Formosa—It is said that if you scratch a Russian you will find a Tartar. No such engaging test is necessary to tell that most Formosans are Chinese—but the case may be different another generation from now. The servants of the Mikado are overlooking no means of Japanizing the population with all possible haste. Thirty-five years of effort begin to show results.

Through schools, churches, temples, newspapers, *geisha*, *sake*, and the far-reaching effects of social and business contacts the less than 200 000 Japanese in Formosa have worked a remarkable influence over the 4,000,000 Chinese "subjects."

But in the official language, and in the common speech of all Nipponese here, there are no "Chinese" inhabitants. There are only Formosans, or *Honto-Jin*—"Island Men." It is something studied and humorous, this persistence with which the Japanese avoid calling the "conquered" race by their true name, Chinese. It is almost as if they wished the latter to forget all about their relationship with the straggling mainland to the west. It is almost as if they feared the 4,000,000 might some day suddenly remember their commutuality with China, might declare their independence—or at least express a desire for a few genuine "republican" wars.

However, there are few visible signs of approaching revolution in Formosa. One obvious explanation is that there are no Chinese warlords here. No warlords, no revolution. And there hasn't been a really capable Chinese military man on the island since the picturesque pirate chief, Koxinga, carved himself a brief dynasty during the seventeenth century.

The Japanese took Formosa from China in 1895, and they have been careful to see that no disappointed and restless emigree satraps from the continent settled here. Retiring Chinese generals are permitted to go to Japan, to such resorts as Beppu, Unzen and Karizawa. It is believed that at these spots they can safely release any remaining steam, while frolicking with their concubines in the very excellent hot baths. The reare hot baths in Formosa also. But for some reason the Japanese do not consider them so salubrious for disgruntled warlords as those in Japan proper.

Other precautions are taken to keep the *Honto-Jin* from absorbing any of the spirit of Chinese nationalism. No Kuomintang has branches here, at least not openly. No *San Min Chu I* is read in the schools, nor are there any parks or boulevards ealled Chung Shan, in memory of the now apotheosized Sun Yat-sen, leader of invariably defeated Chinese revolutionists for 40 years.

Shinto Shrines and Temples

But there are other gods for the Chinese to worship; the Japanese have seen to that. Scattered throughout the island are shrines and temples erected to names sacred in Shinto, the Japanese state religion. There are dozens of Buddhist monasteries, maintaning the peculiar Japanese form of faith. There are expensive and stoutly built houses of worship dedicated to Kami, that highlord of the prosperity of Dai Nihon. And then there is that National Shrine, erected to the patron saint of the island, Prince Kitashirakawa, who had the good fortune to pass to his seat in the Hall of the Great during the Japanese military expedition to subjugate Formosa, toward the close of last century.

It may be that "these shrines are the object of enthusiastic worship on the part of the islanders," as the official guide book to Formosa states, but the writer failed to note the presence of more than three or four Chinese

An example of the excessively wide streets built in Formosan cities by the Japanese rulers of this once-Chinese-owned island. The domed building at the foot of this speedway is the Government Museum, where one can quickly learn what a bunch of savages these head-hunters were before they were pacified by the Japanese rulers of Formosa.

within the vicinity of any of them. However, their own Confucian and Taoist temples seemed no better patronized. Possibly the Formosans are not a very religious people.

But they are anxious for education, and it is here that Japanizing has made greatest progress. The Japanese have developed an excellent educational system; at least, from the standpoint of number, the schools seem adequate. "Discrimination in educational opportunities between the Japanese and the natives has been completely eliminated," reads the Government year book, "so that this period may well be called an epoch-making era in the history of civilization."

The "Japanization" process in Formosa extends down to the ricksha coolies. This Chinese-blood ricksha-man in Tainan, southern port of Formosa, has been through the process of "Japanization," his language being largely Japanese and even his hat of mushroom style being seen nowhere outside of Japanese possessions.

There is now nothing to stop any Chinese child in the island from getting a secondary education—provided he is willing to forget that he is Chinese —For all except a few drimary schools are conducted in the Japanese language, and according to the Japanese pattern. The Educational Law of Formosa "provides that the educational system as enforced in Japan proper shall be pursued."

For a total population of about 4,250,000, including 84,000 aborigines of Malayan descent, there are 132 elementary schools, 720 public schools, 20 middle schools, 4 technical schools, three normal schools, and special schools of commerce, agriculture, forestry and medicine. At last estimate the percentage of Japanese children attending school was 97.63, while that of the Formosans (Chinese) was 32.34.

Due to what seems to have been a protest against the deracializing influence of Japanese schools on Chinese children, the authorities have lately founded a "University of Formosa," where Japanese is not the exclusive language. "English" is also used. But there are no courses in Chinese—here, or in any school on the island. *Honto-Jin* who wish their children to have a Chinese education are permitted—but not encouraged—to send them to China.

In order to be admitted to the middle schools it is necessary that students "speak Japanese as the language of daily life." The number who qualify is astonishing. It is estimated that there are about 9,000 Chinese children going through the Japanizing process in Formosan schools each year.

To a traveler just arrived from China, there is something incongruous about a group of Chinese children emerging from a Japanese school in a quiet, orderly manner, carrying their standard knapsacks and water-bottles like little soldiers, the girls in their blue and white uniforms, black stockings and shoes, and wide sunbonnets, the boys with their military caps and brassbuttoned coats, all of them looking like so many rising suns cut from Nippon flags. It is hard to realize these solemnfaced, disciplined youngsters are of the same blood as those across the channel who, more like American kids,—recognize in the daily dismissal from school a signal for the release of suppressed energy, marked principally by a series of shrieks, yells and a general exchange of friendly thumps and bumps.

This liquidation of Chinese traditions among the Formosans does not stop with the schools. It is grafted on the citizens in every turn of life. Native policemen are dressed in Japanese uniforms, even to the little silver sword of authority. Ricksha men pull Tokio-made conveyances, and wear the same dress, including that mushroom sun-hat, as Japanese in the same calling. Chinese business men are encouraged to wear Japanese kimonos and the high duties placed on Chinese imports make it cheaper to use Japanese furniture, cooking utensils, household goods.

In rural districts one sees hundreds of Chinese living in Japanese *tatami*-spread huts. Even houses with Chinese exteriors are finished *a la Japonaise* inside. Scrolls of Chinese gods are giving way to the conventional Japanese *kakemono* for interior decoration. Those few Chinese temples that have been built since the Japanees

conquest have been cheated in their roofing and more nearly resemble Nikko than Peking.

Converting Chinese into Japanese

One is impressed with the manners of the people, which everywhere appear to be modelled after the Japanese instead of the once Celestial Kingdom. On the streets Chinese exchange low bows, grin and—actually draw in their breath through their teeth in that irritating Japanese fashion! Perhaps one's imagination races, but it often seems that many of the Chinese here lack that spontaneity, that quick response to wit and humor, that is characteristic of the laughter-loving continental, but so antipodal to the Japanese.

One of the few reminders that Thinan, southern port city of Formosa, was once a Chinese stronghold. This ancient city gate once gave entrance through an immense wall built by the pirate chief, Koxinga, in the seventeenth century.

It is certainly true that many of the present generation of Formosans cannot speak Chinese. This applies particularly to those who have "been abroad"—to Japan—for a college education, where the Japanization has been completed, often to the extent of the returned student bringing home a Japanese bride along with his sheepskin.

If doubts remain as to the puissance of education, religion and intermarriage as methods of changing the most homogeneous race on earth into stolid, Japanese-minded subjects, the writer urges a strikingly convincing visit to—Formosan graveyards! There you will find the most immemorial, and hence most sacred, of Chinese customs violated. Coffins recently laid to rest have been *actually buried*, as they are in Japan, and not placed above ground, as in China. Over many a plot of waving green grass stands nothing but a simple headstone to indicate that under this sod lies the dust of what was once Johnny Chang!

Yes, the Japanese have done their job thoroughly.

October 7, 1930.

The French Concession at Hankow

To the Editor, *The China Weekly Review*:—

To most Westerners who have not been to China it is dirty everywhere within her dominion, but to those who have spent a few days in this treaty port it will be seen that Chinese are not the only race who may be unclean and inefficient in administration. We have often thought that everything under European control must be good, but now be feel we are somewhat deceived concerning this superior quality of the White race.

In this city as in Shanghai or Tientsin, there are still two concessions held by imperialists, the French and the Japanese. However, what the writer wishes to deal with in this article is not of the latter but of the former.

To begin with, the taxes. Whatever businesss one intends to do in this concession, he must get a license beforehand and pay a monthly tax of five dollars, otherwise he will be fined heavily. A hawker of any trade or a blind fortuneteller has to pay a monthly tax of one dollar and something, irrespective of his daily income. In case the said tax is not paid before the 10th of each month, the offender will be fined five times as much as he ought to pay. Undoubtedly, the proprietor of a theatre or a pawnshop has to bear more of the expenses than any other tradesmen. Posters of any nature minus the stamp of the French Municipal Council, are forbidden in the concession. Should one desire to let out his empty house or apartment as soon as possible, he must spend one dollar to have his "A house to let" or "Rooms to let" sign stamped. Our government notifications are no exceptions to this rule, though their concession was ceded to them under duress by our ignorant diplomats. Paper currency of our government or commercial banks is not acceptable, but that of foreign banks is welcomed.

One would think that the welfare of the taxpayers is given due care and consideration while there are so many kinds of tax, but the facts are to the contrary. No public sanitation can be seen in this concession. Taking a morning promenade in the streets, one has to close his eyes and stuff his nose, for the drains are overflown with dirty water. In some lanes the ditches are full of mud. Heaps of refuse are seen here and there. Public lavatories are not fit to enter because of extreme filth. Consequently, flies and mosquitoes can be seen everywhere at all times.

As to the roads in this concession, they are no better than those in Saigon, the capital of Indo-China. While driving in a motor-car there last spring, the writer found himself in a rocking-chair. Moreover, what the writer saw there is seen here. Most of the roads, except those along or near the Bund being asphalted, are in a very bad condition defaced with pitfalls and ruts. In the dry weather the sky is full of sand and on rainy days it is muddy everywhere and one will certainly find his clothes soiled after walking in the streets for any time.

The police force consists of Chinese and Annamites who are both dutiful and faithful. They are not unwilling to shoot their own compatriots if they are ordered to do so. As for the Chinese clerks, they are still more obedient and would be glad to become French subjects if their skin could turn white.

Despite the fact that nearly all the taxpayers are Chinese, they have no voice in the municipal administration. Down with imperialism! Abolish extrality and have all concessions back!

Hankow, Nov. 6, 1930. DAISY YOUNG

"Abolition of Extraterritoriality Most Important Issue"—Dr. C. T. Wang

Abolition of extraterritoriality is the most important issue for China to-day," said Dr. C. T. Wang, Minister of Foreign Affairs, in an interview with press correspondents at Shanghai November 7. Dr. Wang added: "Our late leader, Dr. Sun Yat-sen, had enjoined that China should be friends with those nations which treated her on an equal footing. It is time now for us to know who are our friends. Which of the nations concerned will surrender extra-territoriality voluntarily and thereby gain the everlasting good will of the Chinese people? We want action, not words. To my mind, it will be a much wiser course for the few remaining nations to agree to the abolition of extra-territeriality now than to await its natural death a couple of years later—for, then, it will mean nothing to China."

CAPT. DOLLAR SWAPS REMINISCENSES WITH SOME OF THE "OLD-GUARD" RETURNED STUDENTS

Some veterans of China-American trade and general relations—Captain Robert Dollar of the Dollar shipping interests dines and swaps reminiscenses with members of the first class of Chinese students who went to the United States in 1872, 1873, 1874 and 1875 and were recalled to China in 1881. Those in the picture are (seated, left to right) Admiral Wu Cheng-yung, Admiral Kwong Kok-wa, Capt. Dollar, and Tong Shao-yi. Standing (left to right) Tao Ting-kong, Capt. Yung Yew-hun, Capt. Yung Shan-hin and Chung Mun-yu. There are only 35 out of this original class of 120 still living. The dinner, where this picture was taken, was given by Julean Arnold, U. S. Commercial Attache.

HARBIN Y. M. C. A. SECRETARY RETURNS FROM YEAR'S LEAVE IN AMERICA

Howard Haag, senior secretary of the foreign Y. M. C. A. in Harbin has returned to China from a year's leave, which he and Mrs. Haag spent in the United States. Mr. Haag was born at Rockford, Mich., in 1893 and was graduated from the University of Michigan at Ann Arbor in 1917. He specialized in psychology and education. After teaching at Battle Creek for a time he joined the Y. M. C. A., specializing in work among boys. In March, 1921 he was appointed senior secretary of the Harbin Y. M. C. A., a unique institution, in that it specializes in work among the Russian emigrees. Mr. Haag has a thorough knowledge of the Russian language.

Under Mr. Haag's direction the Harbin Y. M. C. A. has become one of the most notable institutions in the world due to its specialization in education among Russian youths and assistance rendered them in going to America and other countries. The Y. M. C. A. high school in Harbin now has 340 students, the school of business and foreign languages 300 pupils. While in America, Mr. Haag received a Master's Degree at the University of Michigan, his thesis dealing with racial attitudes of high school students—being rated among the first nine among 450 who took the examinations. Owing to the prominence of Manchurian questions due to the Sino-Russian complications in North Manchuria last year, Mr. Haag was invited to deliver numerous lectures on the subject in the states of Ohio and Michigan, his lectures being attended by some 50,000 persons.

Mr. and Mrs. Howard Haag of the Harbin Y. M. C. A., photographed on their arrival in Harbin after a year of absence in the United States.

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Cheap Silver Means Reduced World Purchasing Power

BY JOHN HAYS HAMMOND

(World Famous Mining Engineer in the Nation's Business for October)

PROUD SILVER, which dominated the marts of the world for 2,500 years until upstart gold unseated her a generation ago, recently drank the dregs of humiliation when quotations of her value sank to 35 cents an ounce,

Never since the Greeks at Laurium, 600 years before Christ, began to produce such supplies of it as to displace the copper money of those days had silver even approached such a price. For more than 20 centuries before Columbus the price of silver had been about one-tenth that of gold, which would be equivalent to a modern two dollars an ounce.

Two hundred years later it was worth one-fourteenth the price of gold or $1.30 an ounce. In 1800 this price still held. It was above a dollar in 1880. Then came the demonetization of silver and the enthronement of gold. Silver slumped to 60 cents in 1910, returned to $1.00 in 1920, under the influence of war, and again declined to 60 cents afterward. But 35 cents!

To one who was born into an age when silver still was king, whose profession has been that of mining engineering, whose lot it has been to pioneer South Africa whose outpourings of gold have had more than all else to do with the debasement of silver, the plight of that poor metal appears most tragic.

It may be well to pause a moment in consideration. The signal of thumbs down on this grizzled gladiator of a thousand monetary arenas may bring economic consequences that are important to Prague, Paris, and Paducah, Ky.

Two major immediate effects at opposite sides of the globe are at once apparent. The first is in the Orient where silver is still the basis of monetary systems and the second in America where most of the silver is produced.

From the standpoint of silver consumption the Chinese and East Indians have long been the most important of peoples. The currency of both has been on a silver basis although India, after a study made in 1926, and under pressure from the British Government, has been going through the processes of a change to the gold basis.

India has about one-sixth of the world's population. Since there are no savings banks each individual must find his own way to take care of accumulations of wealth.

In many lands such wealth is habitually put into land but here the population is so great in proportion to the land that none is ordinarily available. Such a people is likely to put its savings into articles of value and hide them away. It accumulates jewelry and precious stones or it hoards precious metal.

India's Wealth Depends on Silver

Because of this habit India has been known for centuries as the sink hole of silver and gold. Its opportunity to acquire gold has been slight but silver has been ever present and has gone steadily into the hoards of modest individuals, of merchants who acquire wealth, of political potentates. This penchant for hoarding constantly has drained silver from circulation but the silver has as constantly been replaced by importations from the West.

Other peoples may not approve of oriental methods of hoarding but those methods must be accepted as existing facts. It will take a long time to change them. If these people's purchasing power is to be maintained, the value of this silver which is the basis of their wealth must be held up. World prosperity depends on expanding markets and it seems obviously unsafe to wreck that currency through which the most numerous groups of the world population tie into commodity consumption.

Steadily through the centuries streams of silver have poured into the Far East just as they continue to flow today.

In 1924, for example, the world produced 260 million ounces of silver. India absorbed 108 million ounces and China 42 millions, a total of 60 per cent. In 1925, the world produced 250 million ounces; India absorbed 106 million and China 60 million, or, between them, 66 per cent. In 1926, the percentage was about the same though China then took more than India. In 1927, it was 67 per cent. In 1928 and 1929, with even a larger silver production, it was 70 per cent with China still holding first place.

Undoubtedly the major part of the world's silver has gone into the hoards of the Orient. There is no basis upon which to estimate the amount of it that is still there or how much of it has been lost by hoarders who die without revealing their hiding places. Since Columbus, 14 billion ounces of silver have been produced. The greater part of is today is doubtless in the possession of these Orientals. Authorities estimate that there are today four billion ounces of silver in India. The Chinese and other Orientals doubtless have three billion more.

This silver represents wealth, potential purchasing power, held in the Orient. If it is worth 60 cents an ounce that purchasing power amounts to $4,200,000,000, which is almost equal to the value ot half the monetary gold in the world's treasure vaults. If this silver is worth 35 cents an ounce its value is $2,450,000,000 and the loss in the purchasing power of these people is $1,750,000,000, twice the value of the gold in the possession of the British Government. This depreciation has come at a time of world depression and obviously could not but accentuate it.

It is odd that silver production should come so near being an American monopoly. Just as South Africa produces the lion's share of the world's gold, so North America yields most of its silver. Mexico yields at present some 40 per cent of the world's output. The United States produces an additional 25 per cent. Canada occupies third place with 10 per cent. South America accounts for an additional 10 per cent which leaves but 15 per cent to be divided among the eastern hemisphere's four continents. By far the largest silver production of these countries is controlled by American mining investors.

The Americas, in 1927, produced 180 million ounces of silver. The direct difference to America in selling that silver at 60 cents an ounce and 35 cents would be 46 million dollars. Indirectly there might be a greater benefit. Much of this American silver is a by-product of other metal mining. Its production is incidental to lead and copper mining. It acts as a sort of bonus in the operation of such mines. Often it would not be profitable to work a gold, copper, zinc or lead mine but for this incidental silver.

The difference between 60 cents and 35 cents in the price of silver might, in many cases, be the factor that would mean the closing of a mine that produced one of these important metals. Many mines are on the border line between profit and loss. A fair price for silver might make production possible.

Silver production in America has been so full of picturesque accomplishment that Westerners should feel the urge to keep it alive.

Yet the production is not the only basis for a sentimental feeling that America should have toward silver. It should be remembered that the American dollar is the child of that out-pouring of Spanish coin which followed the discovery of America and was responsible for the only expansion of activity that the centuries have known that is comparable to what has been happening during this generation of gold. The major Spanish coins of that time, coins which long dominated the marts of the world, were the pieces of eight, of which so much is heard in pirate stories of earlier days.

England, not having shared with Spain in the silver of the Western world, had no coinage for her colonies, and they came to use pieces of eight. When they became independent they adopted this piece of eight and called it a dollar.

The very name, "dollar," is likewise due to the influence of silver. Back in Dark Ages which, by the way, were dark largely because there was no medium of exchange that would permit development, a landholder in Bohemia found a silver mine. He realized that the need of the times was a circulating medium so he made his silver into coin. The valley where he lived was known as St. Joachim's Dale. After it he named his coin, somewhat awkwardly, a Joachimsthaler. Passing on to Germany this name was shortened to thaler, which in the low countries became a daler and, crossing to England, a dollar. England called a piece of eight a dollar and so we got both the coin and the term,

European nations, not content with having demonetized silver, recently have heaped other indignities on it. France and England have each debased the silver in this subsidiary coin—making an alloy with a cheaper and harder metal. Each has thus thrust 10 million ounces of silver a year on the market. India, finding that her silver was depreciating, last year exported 35 million ounces of it which went onto a depressed market. Despite these facts production held up. When the price goes down silver is unable to mark time in production until it revives. Since

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it is a by-product of copper, lead and zinc, it must keep on coming forth as long as these metals are produced.

As though to make the conspiracy for its undoing complete, silver has sought in vain for a great new industry that would consume quantities of it. Copper has been glorified by the development of the electrical industry which consumes stupendous quantities of it. The automobile was a huge stimulant to steel.

To be sure, silver is vastly important in the production of motion picture films and ten million ounces of silver every year go into picture making. This helps, but England put that much back into the pool last year by changing the nature of her subsidiary coin.

Case of Silver May Not Be Hopeless

The friends ot silver, if she has any left, seem to be willing to take this drubbing lying down. To me there is another side of the picture. The plight of silver may not be hopeless. If even its modest value of 60 cents an ounce can be reestablished a contribution to world prosperity will have been made. The hoards of the East will again come to the market place with old-time strength. A mining industry in the West will be rejuvenated. Allied mining will have been stimulated. Silver will remain as an agent that contributes to the well-being of mankind.

I am not among those who feel sure that gold is adequate to provide a basis for the circulating media of all the world. But for the development of the South African Rand from which now comes nearly half of all the gold, it would have been impossible for the vaults of even the western nations to have been adequately filled. It is beyond question that the production of five billion dollars' worth of gold from this one field has been the energizing agent that has made life in this generation what it is.

Those five billions constitute half the monetary gold of the world today. What would have happened to world currency systems after the World War if that out-pouring of gold had not come? Could nations have gone on a gold basis? Could they have experienced the expansion that preceded the war, could the war have been fought as it was, but for this gold?

There have been no gold discoveries comparable to those in South Africa in the past half century although the effort to that end has been a hundredfold what it had ever been before. For the past two years I have been conducting an independent investigation largely through the mining engineers who worked with me in Africa and have scattered all over the world, in an attempt to estimate the future possibilities of gold production. The information I have gained warrants no expectation that other fields comparable to those of South Africa will be discovered. In my opinion the future will face a steadily decreasing gold output that, with the demands of economic expansion, may well become a pinch in a decade or two.

A Secondary Metal Is Needed

If this shortage should develop, the existence of a secondary monetary metal might prove of importance. Even though the gold supply remains adequate, that metal has certain defects that unfit it in many vital areas as the sole basis of circulation. The Orientals, for example, require a currency of intrinsic value that they may adapt it to their methods of saving. It must not be of too great value or it will be beyond their reach. The new currency scheme in India, with gold as a basis, does not suit them at all. The attempt to demonetize silver hurts.

They do not like the paper money though its value is based on gold. They cannot visualize it as treasure and it is not adapted to their sort of hoarding even if they could

No Hoarding of Gold

The British have taken steps to prevent the natives from hoarding gold and thus draining empire vaults. Indian currency is redeemable in gold but only in large amounts. If one has $8,000 in paper money he can go to the bank and get its equivalent in gold. But not many Indians are likely to accumulate as much as $8,000.

China, upset by war, clings to silver. She has nothing else. The buying power of her millions of people declines as it goes down.

I suggest the advisability of considering the reestablishment of silver in the money schemes of nations that it may take care of such situations as exist in China and India, of subsidiary coins for other nations, and at the same time widen the foundation on which money systems are based and thus increase their firmness.

This might be accomplished by the remonetization of silver on a basis which fits the setup of today and which, I may say, should be considered without prejudice attaching it to monetary doctrines of the past.

A Stable Price for Silver

Silver might be given a stable value with relation to gold, based on modern needs. For purposes of discussion let us consider a hypothetical possible course of action.

Suppose that the nations, by agreement, should set a price of 60 cents an ounce on silver. Instead of the old 16 to one this would be on a basis of about 34 to one. It should be borne in mind that they long ago established an arbitrary value of $20.67 an ounce for gold and have succesfully maintained this value.

Whoever has gold, the nations say, may bring it to the treasury and get $20.67 an ounce for it. This as a consequence is maintained as the world price of gold.

In the same way a world flat value of 60 cents an ounce might be established and maintained for silver. On this basis the actual value of a silver dollar would be less than 30 cents.

The silver would flow into the treasuries of the nations of the world. They would issue paper money for its purchase, thus avoiding any burden on the taxpayers, just as they accumulate gold at no cost at all.

Silver would take its place in all countries as an additional circulating medium and its stabilized value would greatly promote international trade. An industry would be put on a firm foundation, those currency requirements peculiar to silver would be met, and those losses due to its debasement would be avoided.

Mining Processes Are Costly

The world production of silver is not overwhelmingly great. It runs along about 250 million ounces a year. Mining it is a sterner task than is the case with gold, requiring machinery and heavy investment to wrest it from its rock embattlements.

The Spanish say "it takes a gold mine to run a silver mine."

Putting a price of 60 cents an ounce on silver would not unduly increase its output.

The average price of silver through the ages has been more than 60 cents and did not call forth large production of the metal.

The world has produced 14 billion ounces of it while it was turning out one billion ounces of gold. Its production has been on a 14 to one basis or less.

Orientals Would Get the Bulk

Of the annual production of 250 million ounces, possibly 200 million ounces, worth 120 million dollars, would be presented to the treasuries of nations for purchase.

If we may judge by the past, 70 per cent of this silver would forthwith flow to the Orient. The accumulations in the vaults of nations would not be great. That metal which did accumulate would have an intrinsic world value and would, therefore, lend stability to the currency guarantees of nations.

Whether or not this hypothetical possibility might be made an actuality, beneficial to the world, it seems to me, is a question worthy of study.

2,000,000 Yen to Support Harbin Merchants

Mr. Miavo, president of Totaku—a big Japanese concern in North Manchuria—in a recent interview with a representative of a Harbin newspaper stated that the credits granted by said concern to different merchants and house-owners in Harbin amount to 2,000,000 yen, and that due to the general economic depression, low local currency exchange, slow export business, etc. many of the debtors are unable to meet their liabilities in full at the present time. This, however, he further stated, cannot be a reason for withdrawing financial support from the clients of the concern; on the contrary, the concern has decided to extend further facilities to the debtors, for the directors of the concern earnestly believe that Harbin, having enormous supplies of grain and other natural products, the trade situation in the city will improve in the very near future. It is of interest to note that while merchants of other nationalities seem to hesitate to make substantial investments in enterprises in North Manchuria the Soviet and Japanese trading organizations make every effort to carry on their business on the largest possible scale.

$15,000 for Relief of Deluge Victims

A subscription list lately circulated among the Russian merchants of Harbin brought 15,000 dollars to be turned to the relief fund for victims of the deluge of last summer in Mukden province.

Harbin, Nov. 3, 1930.

China's Tea Export, 1879-1928

(Nankai Service, October 27)

The dramatic decline in China's tea export has recently been analyzed by T. M. Lieu of the Bureau of Statistics, Legislative Yuan, in the March issue of "The Statistical Monthly", according to the Customs' statistics. According to this analysis, which is partly reproduced in the accompanying table, the chain index for the quantity of China's tea export has declined as much as 61 percent, from 100 in 1879 to 39 in 1928. In fact, for the year 1920, it has declined to the lowest point of 14. In terms of actual quantity, the decline of China's tea export is from 1,987,000 piculs in 1879 to 306,000 piculs in 1920, and to 926,000 piculs in 1928. This rapid decline in China's tea export during the last fifty years is divided by Mr. Lieu into four periods, namely, 1879-1889, 1890-1899, 1900-1916, 1917-1928. The decline in the quantity of China's tea export, in terms of chain index, from 100 in 1869 to 92 in 1889 is due to the loss of British market caused by the substitution of Ceylon and Indian tea, that from 82 in 1890 to 80 in 1899 due to the burden of excessive likin and export duty, that from 75 in 1900 to 72 in 1916 due to further foreign competition, and that from 52 in 1917 to 39 in 1928 due to the loss of Russian market because of Bolshevist upheaval, a market that has taken the place of the British ever since the nineties, the boycott against Chinese tea in Great Britain from 1917 to 1919 and in Australia since 1918, and the discriminatory tariff of 1s. per pound for Chinese tea as against 10d. per pound for colonial tea. In all these four periods, each of which is demarcated from the other by a great fall in the index, the backwardness of Chinese technique in tea planting must be considered the most important. But for this last factor, China might have still maintained her supremacy in the world's tea market as she used to be but twenty-five years ago, for it was since 1904 that the amount of China's tea export has been surpassed by that of India, China exporting 194 million pounds while India exported 214 million pounds in that year.

Year	QUALITY 1,000 Piculs	Index	VALUE 1,000 Hk. Tls.	Index
1879	1,987	100	33,272	100
1880	2,097	105	35,728	107
1881	2,137	107	32,890	98
1882	2,017	100	31,332	93
1883	1,987	98	32,174	96
1884	2,016	99	29,055	86
1885	2,129	104	32,269	95
1886	2,217	108	33,505	98
1887	2,153	105	30,041	88
1888	2,167	106	30,293	89
1889	1,877	92	28,257	83
1890	1,665	82	26,663	78
1891	1,750	86	31,029	90
1892	1,623	80	25,954	76
1893	1,821	90	30,559	90
1894	1,862	92	31,855	94
1895	1,866	92	32,450	96
1896	1,713	85	30,157	89
1897	1,532	76	29,217	86
1898	1,539	76	28,879	85
1899	1,631	80	31,469	93
1900	1,384	68	25,445	75
1901	1,158	57	18,513	55
1902	1,519	75	22,860	68
1903	1,678	82	26,334	78
1904	1,451	70	30,202	90
1905	1,369	66	25,446	76
1906	1,404	67	26,630	80
1907	1,610	77	31,736	95
1908	1,576	75	32,883	99
1909	1,498	71	33,567	101
1910	1,561	74	35,931	108
1911	1,463	69	38,335	115
1912	1,482	70	33,778	101
1913	1,442	68	33,937	101
1914	1,496	71	36,457	108
1915	1,782	84	55,563	164
1916	1,543	72	43,560	128
1917	1,126	52	29,108	86
1918	404	19	14,067	41
1919	690	32	23,398	65
1920	306	14	88,873	26
1921	430	19	12,606	37
1922	576	25	16,966	49
1923	801	35	22,905	66
1924	766	33	21,127	61
1925	838	36	22,146	64
1926	639	36	26,165	75
1927	872	37	31,617	91
1928	926	39	37,134	106

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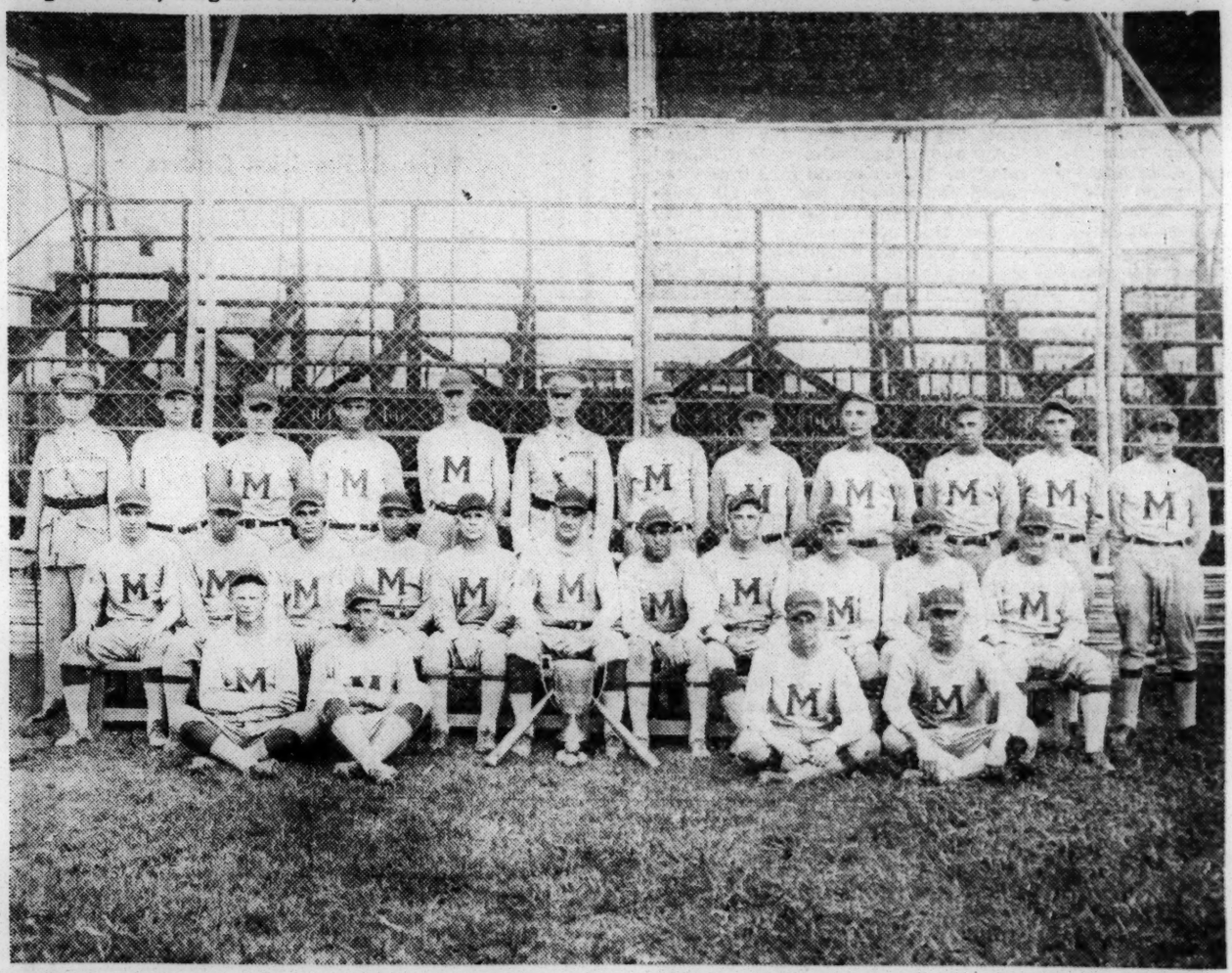
U. S. Marine Baseball "Intervention" in Japan Highly Successful

The American marine baseball team, shown in the picture on this page has completed a highly successful season, including a trip to Japan which lasted from Oct. 1 to 21 and resulted in ten games won out of fourteen played. It was the first tour of Japan by an American Marine team. Those in the picture are,—(*Back Row:*—left to right)—Captain C. B. Cates, Regimental Athletic Officer; Sergeant Boyle, Private Whatley, Sergeant Chapin, Captain Passmore, Colonel C. H. Lyman, U. S. M. C., Commanding 4th Marines; Private Kimball, Corporal Brown, Corporal Slusser, Private Lund, Private Mullins, Private. Parsons.

Second Row, (sitting left to right)—Private Chimohaski, Private Lindstrom, Corporal Wilson, First Sergeant Fine, Sergeant Maddes, 1st Lieutenant C. D. Baylis, (Coach); Private Fogleman, Private Long. Private Stanton, 1st Lieutenant T. H. Saunders. Private Moore.

Front Row, (on ground, left to right)—Private Haney, Private Welch, Corporal Cogsdell, Corporal Pearce.



The Marine baseball record for the present year includes the championship of Shanghai, winners of the American Community Cup and a highly successful tour of Japan which netted ten victories out of fourteen games played with the leading Japanese ball teams. Out of twenty games played during the season the Marine team won seventeen, and out of thirty-four games during this year, the Marines won 27.

The tour of Japan, the first of the kind by an American Marine team, was the result of an invitation tendered the Japanese Baseball Association. Landing at Nagasaki on Sept. 27 the team proceeded to Osaka where they established headquarters at a Japanese hotel, the first foreigners to stay at this particular inn. Games were played in Osaka, Kyoto, Sagano, Nagoya, Yokohama, Hakate, Kumomoto and Shimonseki.

Unfortunately the strongest teams were engaged in the fall series, and it was impossible to arrange games with them while this was going on. The University of Chicago Baseball Team finished its tour at about the same time as the Marines began theirs. Playing practically the same teams, the University of Chicago was only able to win seven games out of fifteen played.

While in Japan, Lieutenant Baylis, who is coach of the Marine Rugby Team as well as the Marine Baseball Team, made arrangements with the Japanese officials to bring a Japanese rugby team to Shanghai to play a series of games during the Chinese New Year. The Fourth Marines Rugby Team is booked to tour Japan in March, 1931, to play a series of games in Yokohama, Tokyo and Kyoto.

The Marines have been invited to take the baseball team to Korea next year to play a series of games in that country, which, has never yet been invaded by any American baseball team. The backers of this project are so confident of its success that they have guaranteed all expenses.

The record of the baseball team reflects credit not only on Coach Baylis, Captain Cates, the athletic officer, and the individual players, but on Colonel Lyman who during the period in which he commanded the Fourth Marines did everything in his power to develop good material and support every athletic team. The team record follows:-

October 1		October 9	
Marines	8	Marines	7
Kwansai	4	Yokohama Tech	5
October 3		October 10	
Marines	10	Marines	4
Kwansai	12	Kosho	10
October 4		October 12	
Marines	3	Marines	5
Doshisha	2	Yokohama Country Club	0
October 6		October 14	
Marines	6	Marines	2
Retsumei	0	Yokohama Commercial	14
October 7			
Marines	8		
Oichi-sho	9		

The Causes of the Silver Debacle

E. Kann, Shanghai bullion broker and exchange expert, in the course of an address before the Pan Pacific Association, Shanghai, October 29, gave the following as the principal causes of the collapse of silver:

(1.) The extra supply of huge stocks of silver derived from demonetised coin—a movement in which many countries have taken part—had doubly harmful consequences: firstly, because large extra quantities of silver were thrown on the market, irrespective of whether, when and where these were wanted; secondly, the most derogatory moral effect caused not merely by this unprincipiled action, but also by the uncertainty, or rather the certainty, of more coming, perhaps, in the near future, or possibly at a later date. The example of England was promptly followed by Germany and Poland which countries both struck new silver coins with fineness of only 500/1000. Forced by the exigencies of the World War Germany had been forced to liquidate almost all her silver stocks. France did likewise. In 1919 and 1920 France became a large seller of silver, a considerable portion of which, derived from melted 5-franc pieces was shipped to Shanghai. During her severe monetary troubles, extending until 1928, France abstained from minting silver coins, but instead circulated in the country 1 and 2-franc pieces made from brass and aluminum. At the present moment France is engaged in replacing her small bank-note coupures by silver coins for 10 and 20-francs face amount, but these will be only 680-1000ths fine, in place of the old silver content of 900. Meanwhile France has constantly been figuring as a seller of demonetised silver, thereby doing irreparable harm to the reputation of the white metal.

The example of these countries was promptly followed by most of their neighbors, notably Belgium, Switzerland and Italy, all of which have figured as potential sellers of silver at a most inopportune time. During the latter part of 1929 Indo-China sold large quantities of silver, derived from demonetized piastre coins, in preparation of her adoption of the gold bullion standard in the spring of the current year. The quantity disposed of may be estimated at 50 million ounces. As the sale was carried out just when the silver slide had set in, a veritable avalanche developed, causing panic on the world's silver markets.

The greatest adversary to silver's stablity, however, was and still is British India. At the close of 1926 it was definitely resolved to change from the then exising gold exchange standard to an effective gold bullion standard and to dispose of large quantities of silver, derived from demonetised rupee coin. The total amount for sale was not fixed by law and was made dependent upon the quantities of rupee coins reverting to the Treasury from circulation. A preliminary estimate was suggestive of an approximate quantity of 240 million ounces of bar silver (one year's world production) to be disposed of whenever the authorities thought fit. The total amount of melted silver sold up to now by the Indian Treasury is about 85 million ounces. The figure in itself is not large; yet the danger is to be seen in the undefined future policy as time and quantity of further silver stocks being disposed of. Due to the fact that most of the other sources of surplus silver will give out in the near future, there would be better prospects ahead for the white metal, if it were not for the genuine threat emanating from India.

(2) The second cause for the heavy decline of silver is clearly to be seen in the general decline of all world commmodities. While silver in China is first and foremost a medium of currency, it represents on the rest of the globe a commercial commodity. All raw material has fallen in price recently to an alarming degree, and silver has formed no exception.

(3) The third primary cause for the depression of silver values is the long lasting internal warfare in China, resulting not only in the interruption of means of transport, but also in the impoverishment of the rural population and in the extinction of the latter's buying power. Metallic money cannot be moved about, and while the seaports are overburdened with silver funds, the interior is bare of all supplies.

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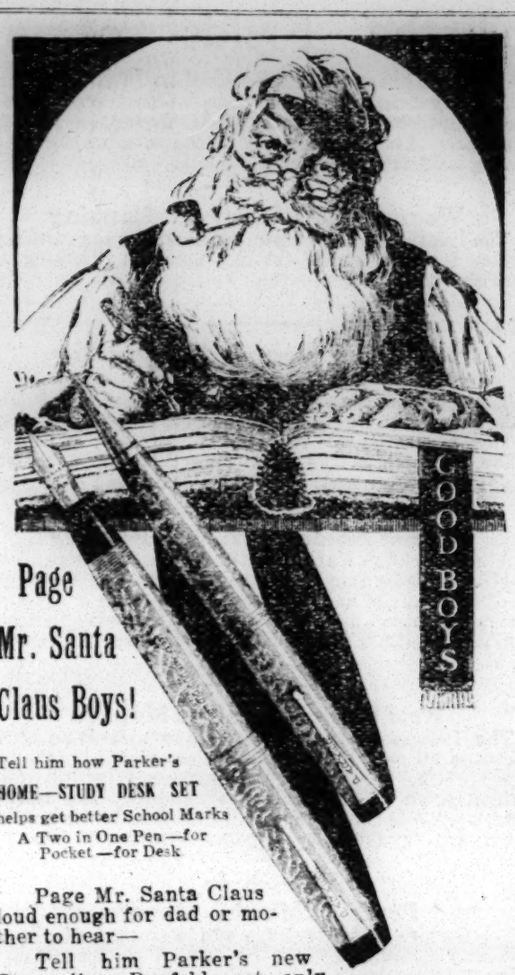

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In the Fields of Finance and Reconstruction

Studying Japanese Cotton Industry

A party consisting of eighteen Chinese representative of cotton interests arrived In Kobe, Japan, on Nov. 4 for the purpose of making a study of the cotton spinning and weaving industry of Japan.

Women's Law College at Nanking

The National Ministry of Education has granted permission for the early establishment in Nanking of a Women's Law College, this action resulting from a petition of the Municipal Educational Board of Nanking.

Head Office Peiping-Hankow Line Moved to Hankow

The office of the managing director of the Peiping-Hankow railway has been transferred from Peiping to Hankow, according to a report of the Ministry of Railways on Nov. 8, which stated that Ting Shih-chien, assistant managing-director would have charge of the Peiping office.

District Autonomy in Helungkiang

A report from Harbin by the *Kuo Min* service on Nov. 4 stated that Heilungkiang province, most northern province of Manchuria, had decided to inaugurate a system of district autonomy in eight districts, including Paichun, Lungkiang, Hailun, Payen, Keshan, Mongkuei, Suihwa and Fulun.

New Railway Bank at Mukden

The Peiping-Mukden railway administration on Oct. 28 announced that plans had been completed for the early establishment of a bank for the purpose of facilitating the administration of the railway's finances. The bank, in addition to other matters, will also handle the matter of savings for aged employes, pension funds and other matters.

Forestry Meeting Opened

The College of Agriculture and Forestry of Nanking University announced that the annual conference of the National Afforestation Association was scheduled to open in Nanking on Nov. 12. The meeting will be presided over by Ling Tao-yang, president of the association, who will present plans for afforestation enterprises in various parts of the country.

Peking-Suiyuan Railway

The Peiping-Suiyuan railway authorities announced on Nov. 9 that preparations have been practically completed for resumption of traffic on the line fer both passengers and freight. It was stated that large quantities of freight which accumulated at the various stations, particularly at Paotao, as a result of the recent war situation, are awaiting transport.

Delegation to South Seas

The Native-Products Manufacturers Association on Nov. 9 sent a delegation composed of representative members to various places in the South Seas to investigate the market for Chinese goods. The party will visit Hongkong, Saigon, Singapore, Java, Penang, Siam, Batavia, Sumatra and Medan. The delegation is taking along an exhibition of Chinese-made goods.

Promotion of Foreign Trade

In accordance with a resolution passed at the National Industrial and Commercial Conference in Nanking last week, the Ministry of Industry, Commerce and Labor has appointed a committee to prepare for the organization of an Association for the Promotion of Foreign Trade. Members of the committee include prominent merchants and industrial leaders throughout the country.

Technical College in Manchuria

The first Chinese technical college, devoted to mining and metallurgy to be established in Manchuria, will be started at Penchihu on the Mukden-Antung line, according to a report appearing in the *Manchuria Daily News*. The annual expense of the school, estimated at $1000,000, will be defrayed by the Mukden authorities. Work on lhe main building has been started and will be completed next year.

Nanking-Hangchow Railway

The Kiangsu and Chekiang provincial government reached an understanding on Nov. 8 for the immediate opening of the Ibsing-Changhing section of the Nanking-Hangchow provinical highway. No tolls will be collected until the entire highway has been opened. Work has been proceeding on this highway, which is about 300 miles in length, for more than a year. The road passes to the west of Lake Taiho.

Airplane Service to Ichang

Although Gen. Liu Hsiang, leading militarist of Szechuen has not yet granted permission to the China National Airways to construct an airdrome at Chungking on the Upper Yangtsze, the authorities of the air-service have decided to immediately extend the service to Ichang. The landing place at Nanking has been changed to the airdrome of the Aviation Board of the Ministry of War, according to the announcement.

Tientsin Special Tax Abolished

The Hopei (Chihli) provincial government on Nov. 8 announced the abolition of a 2½ percent special tax on machine-made goods which was assessed by the Shanis military faction several months ago. This special tax has been the cause of continuous protests on the part of Chinese merchants at Tientsin. It also has been announced that the so-called Peiping octroi tax on goods entering the city of Peiping has been abolished.

Chinese Naval Manoeuvers

Admiral Chen Shao-kuan, acting minister of Navy and commander of the Nanking fleet on Nov. 7 announced that the Second Naval Squadron will hold naval manoeuvers at Hsiangshan, near Ningpo, where the Government is planning to establish a naval base. Six gunboats, the *Chuyn, Chutai, Chukwan, Chuchien, Kiangyuan* and *Kiangching*, and four torpedo boats, the *Chentse, Sutse, Hupeng* and *Huying* will participate in the manoeuvers.

Dredging of Yangtsze at Chungwen

The Yangtsze River Conservancy Board announced on Nov. 10 that work shortly will be started on the dreding of the central channel of the Yangtsze at Chungwen Island about 17 miles from Anking, Anhwei province. The river is separated into three channels at this point and according to the plan the central channel will be deepened to 15 feet at low water. The work will extend over three years and is estimated to cost $5,300,000. A special engineering bureau will have charge of the work.

C. E. R. To Cut Expenses

The Soviet Managing Director of the Chinese Eastern Railway, Mr. Rudy, on Nov. 5 announced to the railway's Audit Board that the world economic crisis which has seriously affected Manchuria, might shortly make it necessary for the C. E. R. to make drastic reductions in both salaries and personnel. Mr. Rudy also stated that it might be necessary to cut off both free fuel and house allowances for employes. No action was taken, but it was stated that the question of reducing expenditures would be brought up at a future meeting.

Through Railway Service from Peiping to Tsitsihar

Announcement was made in Mukden on Nov. 2 that through railway service had been started between Peiping to Tsitsihar, capital of Heilungkiang province, entirely over the new Chinese railway system constructed in Manchuria. The new service was made possible due to an arrangement between the railway authorities of the various lines, including the Peiping-Liaoning, Supingkai-Taonan, Taonan-Anganchi and Tsitsihar-Keshan lines. The entire journey of 41 hours was stated to be possible without changing cars.

Normal Service on Lung-Hai Railway

A report from Hsuchowfu (Northern Kiangsu) on Nov. 4 stated that normal service for passengers and freight had been resumed on the Lung-Hai railway. Chien Chung-tse, managing director of the line, also announced that preparations were being made to complete the unfinished section of the railway to the west of Lingpao. The Lung-Hai railway, constructed by Dutch, Belgian and French interests, touches the seacoast at Haichow, just south of the Shantung Peninsula and extends westward approximately 600 miles, its ultimate destination being Lanchowfu, capital of Kansu province.

Sino-British Boxer Agreement Approved

The Central Political Council of the National Government on Nov. 6 gave its official approval to the Sino-British Boxer Indemnity Agreement which was concluded last month at a conference between Sir Miles Lampson, British Minister and Dr. C. T. Wang, National Minister of Foreign Affairs. Details of the agreement, already published in *The Review*, provide for use of a major portion of the British share of the indemnity, amounting to approximately G. $55,000,000 for the completion of the Canton-Hankow railway aud the re-equipment of the other Chinese railways with new rolling stock and other materials.

New Hangchow Bank for the Poorer Classes

The Chekiang provincial government on Nov. 10 authorized the establishment of a municipal savings bank with a capital of $250,000 which will be attached to the Chekiang provincial Bank, the object being to encourage thrift among the poorer classes of the population. The bank will carry on a general banking business, but will have safeguards to protect the deposits of the poor. The mayor of Hangchow will he chairman of the board which will include representatives of other banks in the provincial capital. Depositors will share in the profits of the institution and will have the right to elect a member of the Board.

Weights and Measures Conference Meets in Nanking

The National Weights and Measures Conference called by the Ministry of Industry, Commerce and Labor met at Nanking on Nov. 11, with Wang Han-tao, counsellor of the Ministry as the presiding officer. The chairman in his opening remarks declared that it was necessary for the central as well as the provincial governments, city officials and Chinese organizations generally to lend their efforts toward a general introduction of the standard metric system of weights and measures. Some 55 proposals were introduced at the conference bearing on the subject of standardized weights and measures for the entire country.

Strong Effort to Enforce New National Calendar

The Chinese Municipal authorities at Shanghai have announced that special efforts will be made to enforce the general observance of new National (Solar) Calendar, the chief object being to abolish various age-old customs and traditions which have been associated with the observance of the Lunar Calendar. Schools, business houses and factories will be placed under close surveillance to prevent any violation of the new regulations. Students and laborers will be given their customary vacations, but at the end of the new calendar year instead of at the end of the lunar year. Institutions violating the orders will be subjected to heavy fines.

Through Peiping-Hankow Service Started on Nov. 10

Through express service on the Peiping-Hankow railway was resumed on Nov, 11, according to a *Kno Min* message from Hankow on Nov. 11. For a time it will be necessary for passengers to change trains at Chengchow, Honan. In regard to freight transportation, the report stated that large quantities which had been accumulated at stations between Hankow and Chengchow would have to be cleared prior to the establishment direct service between Hankow and Chengchow. The military authorities have ordered their units to vacate the stations and cars along the road and to discontinue the practice of commandeering cars for military transport.

Decline in Tobacco Product Imports

Tobacco product imports into Shanghai during the second quarter of 1930 showed a considerable decline as compared with the same period last year, although tobacco leaf imports revealed a heavy gain, according to a report just issued by the Maritime Customs.

Imports of cigarettes in the April-June period totalled 288,71 mille as compared with 1,117,356 mille in 1929. Cigar imports reached a mark of 1,895 mille as against 3,431 mille last year. A figure of 118,748 piculs of tobacco leaf was hit in the second quarter as compared to 12,866 in the spring of last year, while prepared tobacco, imports totalled 319 piculs as against 129 piculs in 1929. Tobacconists' sundries including pipes, etc., hit a mark of Hk. Tls. 95,685, a gain over the figure of Hk. Tls.81,032 of last year.

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More Real Estate Development Plans for Shanghai

The trade and building supplement of the *Shanghai Evening Post* on Nov. 8 reported the completion of plans by the Asia Realty Company for a new Tls. 1,000,000 residential development to be located in the International Settlement on the north side of Bubbling Well and to the east of Medhurst roads. The development includes the construction of an eight story apartment house and a group of three-story terrace houses. The apartment house, according to J. S. Potter, secretary of the company, will contain 15 four-room apartments, 20 three-room apartments, 12 two-room apartments and 15 of one room and kitchenette.

There were some 690 building permits issued in October, an increase over the previous month. Real estate transactions during the month reached a total of Tls. 7,000,000, a considerable increase over the corresponding period of last year.

Extension of Lung-Hai Railway Line

A report of the National Ministry of Railways on Nov. 8 stated that despite the interruption of military operations considerable progress had been made on the Lingpao-Tungwan section of the Lung-Hai railway, the section being 72 kilometers long.

Nearly 70 per cent. of the bridges spaming the various waterways and twelve tunnels along the line have adready been built, it is stated. One magnficent pice of engineering work remains to be accomplished. This is the new 3,000-metre tunnel near Lingpao planned to replace the old tunnel which collapsed in 1926. This new tunnel will cost about eight hundred thousand dollars.

Materials for construction, purchased from funds appropriated from the Belgium Boxer Inddomnity Refund have already arrived and have been stored at the Railway warehouses at Woosung and Pukow. Now that the war has been brought to a conclusion, they will be transported to their destination as soon as sufficient rolling-stock is available for the purpose.

The Ministry expects to complete the whole section early next year.

Extension Planned for the Hailunfu-Hulan Railway

The Hailunfu-Hulan Railway operating in the province of Heilungkiang showed the profitable receipts of $4,700,000 last year. This amount included revenue from freight and passengers, according to a report recently issued by the Manchuria railway authorities.

The entire holdings of the Hailunfu-Hulan company are worth $30,000,000 at the present time. With available financial means, the railway has undertaken to improve the roadwork of the line. A small portion of the roadwork on various occasions was damaged by flood but repairs were immediately made. Formerly bridges along the line were built of wood but these have been reconstructed with steel. Expansion of the railway service is now being planned. It has been decided by railway officials that two additional branch lines will be constructed immediately to meet the demands of that area. The first proposal is to extend the line as far as Peitsi, Heilungkiang, so that the communications in North Heilungkiang may be rendered more convenient. The construction of this section is already under way. The second scheme is to build a branch line from Suihua to Aokiang. The branch line will have a length of 800 li. The construction work will start after six months' surveying work which is expected to begin by the end of October.

American Investments in Manchuria

The recent visit of W. Cameron Forbes, American Ambassador to Japan, to Manchuria has been responsible for reports that he is making an investigation of conditions in that area on behalf of certain American financial interests. Mr. Forbes arrived in Mukden on Nov. 9, presumably to meet his sister, Mrs. Harris, who traveled from Europe by way of the Trans-Siberian line, and while no statement was issued on the subject, his trip to Manchuria was responsible for the circulation of rumors that Americans were planning heavy investments in Manchuria, including possible loans to the Japanese South Manchuria railway and also the Soviet-controlled Chinese Eastern line. The Russian newspaper *Zaira*, published in Harbin, published an editorial telling of the future bright prospects for American capital in Manchuria and declared that the visit of Ambassador Forbes was connected with the matter.

The *Kung Pao*, official Chinese newspaper, published a report that the Chinese Eastern Railway had signed a loan agreement for $1,600,000 Harbin dollars with three Chinese banks, the Chinese State Bank, Frontier Bank and the Bank of the Three Eastern Provinces. In addition, Mr. Rudy, manager of the C. E. R. announced that an agreement had been concluded with the Far Eastern Bank (Soviet Dalbank) for a loan of 750,000 yen. The C. E. R. will pay 8 percent interest, the loan being secured on the revenues of the railway.

Commerce Chamber Urges Passage of New Tariff Law

The Shanghai General Chamber of Commerce, in association with numerous other trade bodies, on Nov. 5, petitioned the Ministry of Finance to promulgate the new national tariff law so as to give protection to Chinese native industries. The commercial organizations also urged the early adoption on the part of the government of a general protective policy.

Recalling the fact that the current tariff, which was promulgated on December 7, 1928, and put into practical enforcement in February 1929, was originally fixed for the period of one year only, during which period the National Tariff Commisson was to work on the formulation of a new protective tariff, the telegram points out that it was nevertheless decided, owing to the adoption of the Customs Gold Unit as a result of the silver slump, to extend the period for another year. While it was reported that the new tariff had been referred to the Legislative Yuan and was subsequently passed, the proposed promulgation on the National Independence Day (Oct. 10), had not been done. This has caused no little anxiety in commercial and industrial circles. The telegram concludes by requesting that the State Council be petitioned for the early promulgation of the new tariff in order that the infant industries of the country may secure adequate protection against foreign competition.

Prospects Brighter for Adjustment of Cable Deadlock

According to reports which appeared in the Chinese newspapers last week, the prospects for an equitable settlement of the long-standing deadlock in the negotiations between the Chinese Government and the foreign cable companies, appears more favorable. The *Shun Pao* printed a dispatch from Nanking on Nov. 7 stating that the fourth and fifth meetings of the cable conference on Nov. 5 and 6 had been attended by representatives of the three cable companies and that some progress had been made. The Chinese delegates, headed by Chwang Chih-huan, insisted upon the cancellation of the present monopolistic agreements upon their expiration and the making of new contracts containing "equal" clauses. The account stated that the representatives of the cable interests appeared to have 'somewhat yielded" from their previous position. The *Sin Wan Pao* account stated that two chief principles were discussed, (1) The landing of the three foreign cables, Eastern Extension, Great Northern and Commercial Pacific, must comply with the telegraphic communication regulations of the Government; (2) The Chinese delegates insisted upon a more equitable division of tolls.

The Chinese committee of the Ministry of Communications which has charge of the cable negotiations, also announced that a meeting is to be held shortly with the Japanese cable representatives for the purpose of making adjustments in regard to the Shanghai-Nagasaki cable.

Modern Train-Ferry Is Planned to Link Nanking and Pukow

A *Reuter* report from Nanking on Nov. 6 stated that the Ministry of Railways of the National Government had completed plans for the construction of the Nanking-Pukow train-ferry. The total construction cost will be about $4,000,000. The foundation and concrete work, which will be done by the engineering department of the Ministry of Railways, will be commenced immediately in order that advantage may be taken of the present low water. The entire construction work is scheduled to be completed before the winter of 1931, and at the latest by the spring of 1932. There will be a 150-foot bridge at Nanking and Pukow. The ferryboat will have a length of 360 feet, a width of 58 feet and a speed of 12 knots. The ferry boat will be able to carry 21 40-ton freight cars, 12 passenger cars and a locomotive. The time taken for crossing including loading and unloading, will be between 40 and 50 minutes. It now takes at least one hour for a passenger on the Nanking side to cross the Yangtsze

River and to get on the Tientsin-Pukow train at Pukow. and several hours are needed to convey freight across the river. It is estimated by the traffic department of the Ministry of Railways that at least 3,000 tons of freight cross the river daily. With a transport fee of from $1 to $2 per ton, the annual income from the ferry will be approximately $1,500,000. The annual-administration expenses are estimated to total about $300,000. This will leave an annual net profit of more than $1,000,000 so that the cost of the construction of the ferry can be repaid within four years.

Hongkong Smuggling Problem

F. W. Maze, Inspector-General of the Chinese Maritime Customs, who has returned to Shanghai from a trip to Hongkong, informed *The Review's* correspondent at Hongkong, prior to his departure from that city that considerable progress had been made in adjusting the so-called Hongkong smuggling problem. Mr. Maze stated that his conversations on the subject with Sir William Peel, governor of the British colony, had been satisfactory and that he had found the British officials at Hongkong reasonable and sympathetic on the subject. The problem of smuggling goods from the British Hongkong colony into Chinese territory is almost as old as the Hongkong colony, but in recent years due to the increase in the Chinese customs duties it has become a serious problem resulting in large losses to the Chinese customs treasury T. V. Soong, Minister of Finance, who was also in Hongkong for several days on his recent trip to South China, also is reported to have discussed the subject with the Governor of Hongkong. Last year the Chinese authorities tried to reach an understanding with the Hongkong authorities, but nothing was accomplished due to the insistence of the British authorities upon trading rights in Chinese waters in exchange for their agreement to China's proposal to establish an office of the Chinese Maritime Customs Administration in Hongkong. The trade prosperity of Hongkong for many years has largely been due to the smuggling trade, foreign as well as Chinese merchants knowing that merchandise landed at Hongkong stood a 90 percent chance of being smuggled into Chinese territory without payment of customs dues.

Koreans in North Manchuria

According to the latest authoritative report quoted in the Chinese Eastern Railway Bulletin for October 1, 1930, the number of Koreans residing in the C. E. R. zone (i. e. except those in the Chinese area and those along Kirin-Tunhwa, Kirin-Changchun and Taonan-Angangki railway lines) has been increased to 32,108 up to the end of August last. They are scattered in the following places:—

Places	*Males*	*Females*	*Total*
Harbin	837	818	1,655
Ninguta	320	245	565
Maoerhshan	207	105	312
Erntaohotze	230	115	345
Wukimiho	260	130	390
Hailin	201	152	353
Sanshih	175	102	277
Imenpo	116	134	250
Mataoshih	130	70	200
Siaosuifen	140	102	242
Erhchengtientze	102	68	170
Wukimi	75	45	120
Siaochiuchan	80	40	120
Aiho	96	32	128
Maokioho	62	48	110
Shihtaohotze	75	28	103
Pataohotze	45	42	87
Taolaichao	49	38	87
Yapuli	48	30	78
Suifenho	44	37	81
Siaolintze	43	30	73
Chiuchipao	43	26	69
Mifengchan	42	24	66
Muling	30	30	60
Hongtaohotze	17	23	40
Sansing	16	20	36
Acheng	21	11	32
Weiho	16	14	30
Tsaikiakow	11	9	20
Mutangkiang	7	6	13
Shwangchengpu	5	1	6
Sanchaho	3	3	6
Other places	15,993	9,991	25,984
Total:	19,589	12,569	32,108

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Men and Events

The Osaka Cotton Spinning Association has decided to reduce operations effective from January 1931.

M. S. Lau, former general manager of the Sun Sun Co., has become managing director of the Fook On Co.

Dr. Foretch, the German Ambassador at Tokyo, returned to his post this week after a vacation spent in Europe.

Dr. J. W. Cline, of the Methodist Episcopal Church, South, is recovering at the Country Hospital from an operation.

The death occurred at Shanghai November 8 of Arthur E. C. Thompson, accountant for *Reuter's* agency in Shanghai.

The Bureau of Education for Farmers held an exhibition of live stock, mostly cows and buffaloes, in Shangha November 8.

Monsignor Louis Penicaud, Vicar-Apostolic of Pakhoi was consecrated in the cathedral at Limoges (Belgium) November 9.

Max Schibler has succeeded H. O. Waser as manager of the Astor House Hotel in Shanghai. The latter departed for Europe November 11.

R. T. Bryan, Shanghai Municipal Prosecutor is returning this week, accompanied by Mrs Bryan, from Chungking, where they had been spending a holiday.

Miss Elna Maria Vihervaara and Miss Olga Vornanen Finnish missionaries, have been captured by Communists in Tsingshih, 45 miles north of Changteh, Hunan.

The cornerstone of the first unit of the rebuilt Margaret Williamson Hospital at 421 Fan Zea-si, West Gate, Shanghai, will be laid Saturday, November 15, at 3.30 p. m.

A life-size stone statue of Dr Sun Yat-sen, the work of a famous French sculptor, was unveiled at Nanking November 12, the birthday anniversary of the late Kuomintang leader.

The Rt. Rev. Mark Napier Trollope, the British Bishop in Korea, died from shock aboard the *Hakusan Maru*, when the ship collided in Kobe harbor with the British freighter Benmacdhui November 6.

The Customs authorities at Hankow state that during the months of September and October there were 107 instances of merchant vessels being fired on in the Middle Yangtsze, above Hankow.

Nelson A. Johnson, American Minister, who has been in Shanghai for same time, went to Nanking November 12 to be present at the ceremonies in connection with Dr Sun Yat-sen's birthday anniversary.

Miss Florence Wu, American citizen in Shanghai, was fined two gold dollars by Commissioner A. Krisel in the American Consular Court recently for parking her car in a prohibited place in Nanking Road.

Dr. Kurt Noll, German physician in Shanghai, returned during the week from a hunting trip in Mongolia. One of his captures was a bear who "pawed" the doctor in the bear's dying agonies. Its head is being shipped here.

A total of 611 divorce cases came before the Peiping court since the beginning of the current year, according to statistics made public recently. In ninety per cent of the cases the wives appealed for a legal separation.

Lynn Franklin, recently appointed American Consul at Chefoo, relieves the present consul there, Leroy Webber who is returning to the United States. Mr, Franklin was formerly stationed at Saltillo, Mexico.

Ryutaro Nagai, Japanese Parliamentary Vice Foreign Minister, is touring North Manchuria. In a recent interview he said that the striking fact of the present-day China is the prevalent spirit of rejuvenation.

The general manager of the large Shoseido store in Tokyo has brought more than 3,500 samples from five-and-ten cent stores in America to Japan with view to developing a system of similor low-priced stores all over the Island Empire.

Dr. Tsai Yuan-pei, former chairman of the National Research Bureau, will address the Royal Asiatic Society, Museum Road, Shanghai November 20 on the subject "The Chinese People and the Doctrine of the Golden Mean."

Dr. and Mrs. Robert McKinley and their four children arrived in Peking on October 28 from Sarnia, Ontario. Dr. McKinley is now connected with the Canadian Mission and is to do medical work in the province of Honan.

A Mukden message states that the North-Eastern Political Council has donated a sum of $30,000 towards the funeral expenses of General Han Kuang-ti, who was killed in action last year during an engagement with Soviet troops.

The Central Kuomintang Headquarters has issued a circular to the Chinese press urging the use of simple language, thereby not only greatly benefitting the masses but also increasing the circulation of the newspapers.

A *Rengo* dispatch states that the Changchun (Manchuria) Importers' Asscciation is making arrangements, with the assistance of the Yokohama Specie Bank, to have future transactions with Japan on a silver, instead of a yen, basis.

Heroin valued at a quarter of a million dollars was seized by the Shanghai Customs November 11. The smuggled drug arrived here on the Lloyd Triestino steamer *Col di Lan* as "dried fruits," shipped from Constantinople.

Charles F. Hauss, former manager in China for the National Radiator Company, who departed for Europe last year, has been appointed general salesmanager for the Belgian branch of the company and is now stationed in Brussels, Belgium.

David E. Kaufman, newly appointed American Minister to Siam, addressed the Pan-Pacific Association, Shanghai, Tuesday, November 11, in the Jacobean room of the Cathay Hotel. Mr. Kaufman spoke on Bolivia, where he recently has been in the diplomatic service.

A new mail steamer built for the Messageries Maritimes, the *Felix Roussel*, destined for the Far Eastern run, was launched at St Nazaire, France November 9. The Japanese Ambassador and the Chinese Minister were in attendance at the launching ceremony.

John M. Imrie, Canadian publisher and Chairman of the Canadian Trade Delegation which is due to arrive here November 16, will address the Pan-Pacific Association Tuesday, November 18, at the Cathay Hotel. A special tiffin will be served in the Delegation's honor.

The Hongkong papers state that F. W. Maze, the Inspector General of Customs, who returned to Shanghai November 10 has had satisfactory conversations with the Governor of Hongkong in regard to the protection of the revenues of South China against smuggling.

The National Opium-Suppression Commission has compiled statistics showing that the Customs throughout China during the first six months of the current year, discovered and confiscated $ 470,000 worth of drugs, 70 per cent having been seized at the Shanghai Customs.

The U, S. transport *Henderson* arrived in Shanghai end of last week and brought reliefs for the Fourth Marines here. It sailed for the North November 10 and was due to return here November 15. The *Henderson* is scheduled to depart from Shanghai for the United States November 25.

Dr. Robert Preston Brooks, dean and director of the Bureau of Business Research at the University of Georgia, and a Travelling Fellow of the Kahn Foundation, will speak on "The American Business Depression" at the American University Club tiffin at the Old Carlton, Tuesday, November 18.

Chang Ts-fang, a rice shop assistant at 661 Markham road, Shanghai, was sentenced to 10 months' imprisonment in the District Court last week for stealing electricity from the Shanghai Power Company. He had put a piece of wire in the meter to stop it from recording.

An *A.R.P.* message from Paris says that the French Government has sent instructions to the Minister at Peiping to use all the means in his power to do away with the troubles connected with the civil war and to obtain assurance from the Chinese authorities of their respect for the treaties in favor of the missionaries.

A *United Press* dispatch from Honolulu November 7 stated that Mrs. J. Kleffel and daughter were both well and doing splendidly. The daughter was born aboard a Dollar steamship, en route from Yokohama to Honolulu, on October 30. Mrs. Kleffel is wife of the manager of the American-Oriental Banking Corporation of Shanghai.

The China District Committee and the Shanghai Branch Committee of the Army and Navy Young Men's Christian Association announce a reception to be given in honor of Mr. and Mrs. Paul M. Brown in the gymnasium

of the Navy Y. M. C. A. Shanghai Tuesday, November 18 from 4 to 6 p. m. Mr. and Mrs. Brown are leaving China to reside permanently in the United States.

Recent advices from London indicate that trouble is brewing in the Salvation Army and once again a member of the Booth family is primarily concerned in it. The American Commissioners, headed by Commander Evangeline Booth, are demanding practically complete autonomy for the American Salvation Army and financial independence and control of all the funds national and international that it raises.

The National Government has established a censorship board which is authorized to collect a fee of $10 for every 500-feet of foreign-made film examined; native films need not pay this fee. The censorship regulations provide that pictures of the following descriptions may not be shown: Prejudicial to the dignity of the Chinese people; prejudicial to the San Min principles; prejudicial to decency and order; spreading superstitious beliefs.

Paul Linebarger, adviser to the National Government of China, conferred with Senator Reed Smoot in Salt Lake City November 6. The *United Press* says there is considerable uncertainty in the United States as to Mr. Linebarger's exact status in making his present visit in view of the recent dispatch from the *Kuo Min* in Shanghai quoting the statement by T. V. Soong, Finance Minister, to the effect that loans are not being sought.

The British Cigarette Company's factories, which had been closed for almost four months owing to the exorbitant taxation demands of the former Shansi authorities, reopened November 5 under the old tax agreements concluded with Nanking. The reopening of the factories was arranged through negotiations carried on at Mukden with Marshal Chang Hsueh-liang by A. S. Kent, director of the British-American Tobacco Co. and General Chang Chi-sang, the Mayor of Tientsin.

General Chang Chih-kiang, Chairman of the National Opium Suppression Commission, has been formally appointed Pacification Commissioner for Kiangsu Province and Generals Li Ming-chung and Liu Chen-hua, respectively Pacification Commissioners for the Honan-Hupeh-Anhwei and the Honan-Shensi-Shansi Border. The new Commissioners were formerly all highly placed Kuomin-chun leaders, who broke away from Feng Yu-hsiang when he rebelled. Both Generals Li and Liu only recently returned from a tour of European countries.

Loo Loong-chi, American-educated professor in political science at the Kwang Hwa University and China National University, was arrested end of last week by officers from the local Garrison Commander's Headquarters while lecturing at China National University, Woosung. He was released after being kept in the Lunghwa military yamen for several hours through representations by Mayor Chang Chun of Greater Shanghai. Mr. Loo had written several articles in a local literary magazine. *The Crescent*, in which he advocated freedom of thought and freedom of the press.

Dr. Sun Yat-sen's Birthday, November 12

Dr. Sun Yat-sen's birthday was observed throughout China November 12. In Shanghai a memorial meeting was held during the forenoon by the District Kuomintang and various public organizations at the Kung Ho Theatre, West Gate, and, in the afternoon, a varied program including music, dancing and plays, was presented by students at the Greater Shanghai Chinese General Chamber of Commerce, North Soochow Road.

The day was selected for the launching of the new gunboat *Yat-sen*, formal invitations having been sent out by Admiral Yang Shu-chwang, Minister of the Navy. Mrs H. H. Kung, wife of the Minister of Industry, Commerce and Labor, performed the christening ceremony, which took place at the Kiangnan dockyard.

Ataman Semianoff Sued in Japanese Court

Ataman Semianoff, the refugee General of Tsarist Russia was summoned before the Public Prosecutor's office at Yokohama, November 5 on a charge that he failed to pay his liabilities to a Kobe money leader in the amount of Yen 10,000, which sum the General borrowed in 1925 in order to utilize the same as a fund for suppressing the Soviets.

The loan was to be refunded as soon as the much-talked of one million yen gold bullion case was settled, but it is alleged that Semianoff failed to pay his debts despite the favorable settlement of the gold bullion case.

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WHY NOT COME AND TRY?

Large Democratic Gains in Recent U. S. Elections

The elections held in the United States on Tuesday, November 4, resulted in large Democratic gains, with the Republicans and Democrats having the same number of members (217) in the House of Representatives. The Democrats have issued a statement that the high tariff is a danger to the country. The returns indicated a growing sentiment in favor of a less drastic Prohibition law. Hoover's "prosperity" was ridiculed by the Democrats. Mrs. Ruth Hanna McCormick was defeated by "Ham" Lewis. "Tom" Heflen, who bolted from the Democratic party during the time of the Smith-Hoover campaign, and who "mortally hates the Pope", was also defeated. He ran on an independent ticket. The balance of power in the House will be held by a few Farmer-Labor members. As there is a deadlock little constructive legislation can be hoped for. Whatever moves occur will be made with an eye to the next Presidential campaign two years hence.

Who's Who in China

Li Shih-tseng, veteran revolutionist and Kuomintang member; born at Kao-yang, Chihli, 1882; member of Tung Ming Hui; received his advanced education in Frauce and in association with Chang Ching-kiang, Wu Tsi-hui and other revolutionary leaders, established the first Chinese bean-cake factory in Paris for the purpose of raising funds for the Revolution; principal of the law school of the Peking Government University, 1919; elected member of the Central Supervisory Committee of Kuomintang, 1924 and 1928; president of the Franco - Chinese University, Peking, 1925—; member of the Central Political Council, 1926—; chairman of the Peiping Division of the Central Political Council, 1928; president of the Peiping Government University, 1928—; representative of Chiang Kai-shek to Mukden to persuade Chang Hsueh-liang to intervene in the North China political situation on behalf of the interests of the National Government, 1930; now, he is still serving as a member of the Central Supervisory Committee of Kuomintang, but has declined acceptance of any governmental appointment; address: Central Supervisory Committee of Kuomintang, Nanking.

Li Shih-tseng
李石曾

Panchen Lama, former secular ruler of Tibet; born in Inner Tibet, 1883; came to Shigatse in 1892; accompanied the Crown Prince of England to visit India, 1903; returned to Tibet in 1904 and introduced reforms in education and other administrative measures; in the first year of the reign of Emperor Hsuan Tung, following the dispatch of Szechuan troops into Tibet by the Imperial Ching Government which aroused misunderstandings among the Tibetans and resulted in complications in Tibet. he was appointed by the Manchu Government both secular and religious ruler of the Inner and Outer Tibet; although he did arrive at Lhasa, however he declined the appointment and promised only to maintain order and peaceof Inner Tibet; in spite of his refusal to accept the appointmeut, misunderstandings arose between him and the Dala Lama, who had hitherto been the ruler of Outer Tibet and the two became very intolerant of each other; since the 1911 Revolution, as a result of the mutiny of the Szechuean troops in Tibet and the internal disturbances in Tibet, the Tibetan situation became further confused; in 1924, at the request of the Tibetan people, he came to China to plead for peace and visited many interior provinces in China; owing to the disturbing situation in China and the neglect of border affairs, he is remaining in Manchuria and Mongolia; he is the most pronounced pro-Chinese leader in Tibet and has rendered great assistance to the Chinese residing there; he now has a strong following in Tibet and possibility exists that the differences between him and the Dala Lama may be smoothed over and enables him to return to his former post.

Panchen Lama
班禪喇嘛

Kao Chi-yi, railway director; born at Liaoyang, Fengtien (now Liaoning), 1889; graduated from the short course of a military school at Mukden in 1906 and served in the Fengtien Army for one yaer; attended the Military Surveying School of the Three Eastern Provinces. 1909-11 and was appointed an instructor in the school after graduation; studied communications at the Communications School established by the Ministry of Communications and was graduated from the Military Officers' Class in 1918; obtained practical training on the Tsin-Pu Railway; became a battalion commander in the Northeastern Army; departmental chief in the Headquarters of the Mongolian Border Development Commissioner. 1921; chief aide-de-camp to Chang Hsiao-liang, then commander of the 3rd brigade of the Fengtien Army, 1922; chief aide-de-camp to the commander of the 27th division of the Fengtien Army (also Chang Hsiao-liang), 1924; promoted commander of the 17th regiment of the Fengtien Army and participated in the Chihli-Fengtien War in 1924, distinguishing himself by his bravery, for which service, he was awarded a gold medal by the Commander at the front; chief of the general affairs department of the Northeastern Aviation Administration 1925, and was soon promoted chief aide-de-camp with the rank of brigadier-gen. of the Headquarters of the 1st and 3rd Allied Army of Fengtien Forces; commander of the 19th brigade of the Northeastern Kuominchun in 1925 under the late Kuo Sung-lin; chief aide-de-camp of the Headquarters of the Commander-in-Chief of the 3rd and 4th corps of the Fengtien Army, 1927; director of police administration of Fengtien province, 1928; and concurrently director of the bureau of land tax of the Special Districts of the Three Eastern Provinces; acting director of the Mukden Office of the Peking-Mukden Railway Administration, Jan. 1929; after the reorganization of the Fengtien administration, he was appointed member of the Liaoning Provincial Government and concurrently Commissioner of Public Safety for Fengtien, 1929; shortly after the inauguration of the Political Council of the North East, he was appointed concurrently vice-chairman of the Northeastern Communication Commission; delegated by Chang Hsiao-liang to Nanking to discuss the administration of the Peiping-Liaoning Railway and upon unification of the Railway, he was appointed by Sun Fo, Minister of Railways, managing-director of the Railway, which office he officially assumed on Sept. 14, 1930; now, he concurrently serves as member of the Liaoning Provincial Government and vice-chairman of the Northeastern Communication Commission; address: Main Office, Peiping-Liaoning Railway Administration, Tientsin.

Kao Chi-yi
高紀毅

Hu Jo-yu

胡若愚

Hu Jo-yu, goverment official; born at Hofei, Anhwei, 1895; was graduated from the Peking Government University with LL. B. degree; versed in French; delegate of Chang Hsueh-liang to attend the National Rehabilitation Conference; counsellor to the Headquarters of the late Chang Tso-lin; councillor of the Law Formulation Bureau, Peking; superintendent of Customs Administration, Peking; made an expectant Minister Plenipotentiary by the Peking Government; appointed vice-Minister of Health by the National Government at Nanking, but did not accept the appointment; appointed Mayor of Tsingtao Municipality, Spring, 1930 and assumed office in Sept. 1930; address: Tsingtao Municipal Government, Tsingtao.

Mrs. Victor Bruce's Historic Flight

Special Telegram from "The Review's" Correspondent

Hongkong, Nov. 9 — Mrs. Victor Bruce, the British aviatrix, arrived here this afternoon piloting her Blackburn "Blue Bird." Of small stature, dressed simply, she spoke lightly of her trip from Huston, England, covering twelve to thirteen thousand miles in fourteen flying days. She left Hanoi Nov. 8 but was checked by a strong wind and landed at Fort Bayard, from which place she took off at 11 o'clock this morning, reaching here at 1.35 p. m. without incident. She was welcomed by a big crowd, including Government officials and flying officers. She stayed at Government House in the evening. At Hanoi she was decorated with the medal of a Million Elephants and White Umbrella. She described an exciting incident at Fort Bayard where she said she encountered on the high seas a pirate ship full of pirates while flying at a low altitude.

Later—Mrs. Bruce, after successfully navigating the air, came to grief while riding a horse in company with the Governor of Hongkong, sustaining injuries to her elbow and side. Her departure from Hongkong was delayed by bad weather. She will touch at Amoy and will probably have reached Shanghai and departed for Japan by the time his journal reaches the reader.

Chinese Delegates in Washington Laud Road Construction

Mau Sun and other Chinese delegates to the Nationa Highways Conference were among those who appeared before the Pittman Silver Committee in Washington last week. They declined to discuss the question of the advisability of a silver to loan China, because of their status. They said, however, that highway and railway constfuction would bring far greater purchasing power to China, increase the general economic welfare of the country, and advance the cause of peace.

Chinese Educater is Deported from Dutch East Indies

Among the numerous cases in which Chinese educationalists have come into conflict with the Dutch authorities in Java and Sumatra is that of Feng Hai-yeh, a professor in charge of the Chun San Public School in the Dutch East Indies, who was recently deported, and has returned to China. His case is being taken up by Ting Vee-feng, Chief of the Training Department of the Central Kuomintang.

The CHINESE NATION

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China Under Political Tutelage

BY C. Y. W. MENG 孟昭洙

THE western students of political science may not understand what is meant by political tutelage. Owing to the special conditions in China, there is indeed every necessity of having such a transitory period. Dr. Sun Yat-san, in his explanation, has the following to say: "If from the military period, we at once jump into the constitutional period, the result will be that there is not the slightest chance to train the people for the constitutional form of government, and that it will be democracy in name but monarchy in fact." The late Leader taught us that it is but imperative to first train and develop the local autonomous governments in each hsien. Unless the people in each hsien know how to govern themselves, they can not be expected te participate in national affairs Until steps for a census of population is taken it is useless to talk about an election. There should first be some local autonomous organization. Dr. Sun concluded that China has been in a chaotic condition since the establishment of the Republic due entirely to the failure on the part of the Chinese statesmen to realize the necessity of having a political tuletage period, and the failure in the Provisional Constitution in 1912 to provide for good local autonomous government in each hsien.

Therefore, we now know that after the military period, which is the first period in the revolution but which is characterized by warfare and destruction, there should be a period of preparation and training for the adoption of a true constitutional form of government. That is the reason why the National Government, at the outset, announced that there would be a period of Political Tutelage ending in 1933. The following is a brief analysis of the program for this period.

(A) Fundamental Reconstructon:

1. Enactment and Enforcement of Laws:

a. *Proclamation of Constitution*:—Constitution is the supreme and fundamental law of a state, so it should be drawn up and adopted during this period, in accordance with the Five-Power Constitution of our Late Leader. The Constitution should define the rights, duties of the people, the organization, powers, duties of the Central and local governments.

b. *Ruling by Laws*:—During the military period, the enforcement of laws might be neglected. But this should be remedied during this period, because to rule the country by laws is a supreme task of the revolution. This will enable all within the country to enjoy the protection of laws.

2. Stabilization of the political system and organization:

(a) *Consolidation of the Political Powers*:—This is to say the political powers of the government should be properly vested and more concentrated.

(b) *Establishment of the Five Yuans*:—The establishment of the political tutelage should also be the beginning of an effective government capable of carrying out all the tasks duing this period.

3. Adjustment of the relationship between government, people and party:

(a) *Demarcation between Political Power and Power to Rule*:—During this period under discussion, the powers which should be exercised by the people, are temporarily vested with the Party which by virtue of powers delegatad by the National Kuomintang Congress, held once a year, acts for the people. The other powers, such as executive, legislative, judicial, examination and censorship, are vested with the National Government. The power of supervision and guardianship is vested with the Political Committee of the Central Executive Committee.

(b.) *Relationship between the Local Government and Local Party Branches*:—In principle, the local party headerquarters, in accordance with the wishes of the Central Party Headquarters, should be vested with the powers of supervision and guardianship of the local government. In case, the local party branch is not satisfied with the local government, it could appeal to the higher Party headquarters. Same thing is true with the local government when it is dissatisfied with the local party branch. But neither is allowed to engage in a dispute themselves.

(c.) *Party Government and the People's Movement*:—The people's movement is permitted and encouraged under the Kuomintang rule. But the Movement is strictly regulated and supervised by the Government.

4. Division between Central and Local Government:

(a.) *The Standard of Division*:—All affairs national in character should be handled by the Central Government, and all affairs local in character should be handled by the local governments. For example, affairs such as foreign affairs, national finance, military, and other national enterprises, should be controlled and handled by the Central Government, in which the local governments could not interfere. All others, which could best be controlled and handled by the local governments will be left in hands of the local authorities. But the approval from the Central Government is necessary. In case of common enterprises which may be both national and local in character, the Central government and local governments should cooperate in handling all the affairs.

5. Practical Preparation for Reconstruction:

(a.) *Enrollment and Employment of Experts*:—The registation of technical experts in any line of work at the local governments should begin during this period. The Central Government should give occasional examinations to qualify men for some special work. In other words. China should exhaust all her useful citizens, said Dr. Sun,

(b.) *Reservation of Funds*:—Aside from the registration of technical experts, some portion of the national and provincial revenue should be set aside for reconstructive purposes.

(B) Political Reconstruction:

1. Military:

(a) *Adoption of the Soldier-Labor Policy*:—After the military period, steps should be taken to disband soldiers who are physicially unqualified, to be laborers for opening up of mines, for improvement of rivers, etc. For those who are physically qualified, they will be reorganized and trained and be sent to different places to make up the national defence forces.

(b.) *Unificatian of the military system and powers*:—The military system, army, navy, air, should be united and uniform. The military powers should be exclusively vested with the Central authorities. The number of troops to be maintained in the country is to be decided by the amount of troops required for the national defence and the financial ability to maintain them.

(c.) *The adoption of the compulsory military system*:—Hereafter, the compulsory military system should be enforced; the practice of recruiting mercenaries should be abolished. People should be impressed that to protect the country is the duty of every citizen, and soldiers should be taught the true idea of patriotism.

2. Financial:

a. *Unification of Finances*:—Unification and consolidation of finances is the most important step towards the reconstruction of a new China. Therefore, it should be definitely and expressly provided what should be the central revenue and what should be the local revenue; and what should be the central expenditure and what should be local expenditure.

b. *Adoption of the Budget System*:—Both the Central and local governments should adopt the Budget system, so that on the part of the people they would know the financial standing of the country, and on the part of the authorities, they would cease to worry about shortage of funds. That is the only way to place China on a more sound financial standing.

c. *Improvement of the system of taxation*:—The principles of taxation at the source, evenness of taxaltion, a simplified system and consolidation of taxes on the same commodities, and strict acountancy, should be applied. More taxes which tend only to increase the burden of the people and hinder the development of industries should be abolished automatically. All other legitimate taxes should be simplified and be put directly under the control of the authorites concerned but not in the hands of a few commissioners.

d. *Reformation of the currency*:—It is a well known fact that the Chinese currency is complicated in the extreme. So a Central Bank should be opened and a National Mint established in order to reform the Chinese currency.

3. Civil;

a. Establishment of sound and strong local governments:—Provincial governments are the links between the central government and the hsien governments. It is necessary that the provincial governments should be stable. The hsien governments are most important during the

period of political tutelage because it is upon them that constitutional government is to be built. So it is necessary that the hsien governments should be sound and stable.

(b.) Employment of "Clean" Officials:—One of the pre-requisites for a sound government is the employment of "clean" officials. Any officials committing corruption should be punished more severely than ever before. All old corrupt official's should never be employed again.

4. Judicial:

(a.) Codification of laws:—To codify laws, to unite the judicial systems and to proclaim needed laws, and to make the judiciary truly independent are the tasks of the judicial authorities during this period.

(b.) Reformation of the Prison System and Training of Judicial Officials:—More Chinese young men to be trained up for judical service. The present prison system should be reformed. It is hoped that more judicial trained men would be ready for service during the coming period.

5. Diplomatic:

(a.) Execution of Revolutionary Diplomacy:—China has to adopt some definite foreign policy in order to place China as one of the equals in the Family of Nations, and also to remove all the obstacles for the reconstruction.

(b.) Abolition of Unequal Treaties:—At present, many of the unequal treaties are not yet abolished, and the practice of extrality is still in existence. This is inconsistent with the delcared policy of the Kuomintang. So full efforts should be devoted to have them abolished, irrespective of time of their expiration, and new ones based on the principles of equality and reciprocity, should be concluded.

(c)—Economic Reconstruction:

1. Development of means of communications:

(a.) *National Communication:*—More railways should be built; the postal and telegram services should be improved. Aside from these, the construction of new harbors, opening of more canals, encouraging the shipping business, both betwen internal ports and with foreign countries, should be accomplished within the shortest possible time during this period.

(b.) *Local Communication:*—The building of high-roads connecting one province with another, improving the water ways, etc, should be the task of all provincial authorities.

2. *Development of means of production:*—

(a.) Opening up more uncultivated lands:—Lands on which nobody pays tax should become at once government property and should be cultivated under government supervision. Land on which the owners do pay the tax but fail to cultivate the government should levy 10% tax till the land is cultivated. Should the land be still uncultivated after three years, it is to confiscated and should be cultivated under government supervision. Land fit for plantation of vegetables, etc, will be rented out to the people for a certain number of years. Land which is fit for forestry will be put under government control till it yields.

(b.) *Development of Forestry:*—The government should take steps to protect and develop Chinese forestry.

(c.) *Opening of mines:*—China is full of mineral resources but one out of ten are still under the ground. The Government should take steps to open up more mines. Should China desire to develop her domestic industries she should immediately open coal and iron mines; for they are the mothers of all industries.

3. Assisting Farmers and Laborers:

China is essentially an agricultural country. 80% of the population are the farmers. One can easily understand that to raise the status of the farming class, to improve their livelihood, to give them every facility to develop their fields, etc, should not escape the attention of the authorities.

There should be some law protecting this class of people. The system of taxation on land and grain should be revised and simplified, in order to lessen the burden of the farmers. The local authorities should take steps to lead and ecourage the farmers to use new machinery for their plantations, to use more scientific fortilizers, to employ scientific means for seeding and harvesting. The authorities should send out more technical experts to direct them in the way of improvement.

Steps should also be taken to improve the present condition of the Chinese laborers, Such laws, as Labor Insurance Law, Child Labor Law, etc. should be promulgated Steps should also be taken to encourage cooperation between capital and labor. The children of the laborers should be given a chance for education.

4. Development of industries:

(a.) *Initial steps:*—Frequent commissions of investigation into the present state of some of the Chinese industries with an aim of finding out the defects and affording some remedies should be appointed. Every encouragement and protection should be given to the production of Chinese goods. More industrial schools should be opened to train more experts to direct the development and improvement of Chinese industries.

(b.) *Development of China's Foreign Trade:*—The Chinese customs tariff should be revised from time to time in order to give protection to Chinese infant industries. The Chinese oversea trade should be protected. More of the Chinese overseas should be encouraged to come back to develop Chinese industries. Under certain regulations, foreign capital could be employed in the development of Chinese industries.

5. Establishment of land offices:

(a) *Enforcement of the Land Law:*—This Law should provide that all the owners of land should report the value of the land to the government Land Office in that territory, and the rate of tax should be based on the estimated value of the land. If the owners purposely raise the value of the land when they make a report, there is a danger that they have to pay more tax. If they purposely lower the value of the land, there is a danger that the government Land Office may possibly buy over the land at the reported cheap price. This is the simplest and fairest way to raise revenue on land, and is the best way to control the land. But the land should be used to the best adventage, which in turn means an increase of the revenue.

(b) *Rights of Eminent Domain:*—When more constructive works, such as road building, etc. are in progress, some of the private land has to be converted into government ownership. There are two ways to convert the peoples' land for use: The government may lease the land from the people. Aside from receiving the annual rental from the Government, the owners of the land are further entitled to some percentage of the interest as the result of development. which is to be agreed upon between the two parties. Or, the government may buy the land at a reasonable price. But at no time may the government convert people's land without paying reasonable compensation.

(d) Social Reconstruction:

1. Reformative Steps:

(a) *Adoption of Compulsory Education:*—As there is so large a percentage of illiteracy in China the Government should take immediate steps to adopt compulsory education in order to enable the masses to participate in national affairs, to pave the way for local autonomous government.

(b) *Compulsory abolition of some unreasonable Chinese Customs:*—China has too many old but ridiculous customs which are still in practice today. The government should take vigorous steps to compel the people to disobserve all these customs. There should be not only laws prohibiting the people from observing these customs,—the authorities should see to it that such laws are actually carried out. The government, during this period, should lead the people to the "light of reason".

2. Training the people:

Lastly, special attention should be directed to teaching the people what are meant by the political rights and powers, such as "initial, recall and referendum and power of holding meetings," and how they could exercise them. People should be taught political science, such as playing the party system, and also the principles of "constitutional morality"—the toleration of the majority, sumbmission of the minority and good sportsmanship in playing politics—so that when they actually enter politics, they would not resort to arms to settle their political differences.

The above has summarized the tasks which should be carried out during the political tutelage period. It is hoped that the coming 4th Plenary Session of the Kuomintang which is scheduled to be held on Nov. 12 will discuss all of the steps necessary to put the "whole" program in to execution.

Nanking, November 8, 1930.

New Books of Interest in the Far East

Gandhi's Idealism

Mahatma Gandhi's Ideas, by C. F. Andrews. Published by The Macmillan Company, New York. 348 pages excluding appendices.

Although much has been written about that enigmatical character Gandhi, it is refreshing to get something authentic about his life and his ideas gained from first hand knowledge of the man. Mr Andrews was closely associated with the Mahatma, but in what capacity, whether as an ardent follower or a distant admirer is not fully explained. And, according to the documentary evidence set out in that portion of the book alloted to the appendices, apparently Andrews and Gandhi were on terms of intimate friendship.

The book is intended to explain the main principles and ideas for which Gandhi has stood in the course of his career, and these explanations are based upon the speeches and writings which Gandhi addressed to the public. Even if we admit that Mr Andrews' contribution to the world's store of knowledge about Gandhi is supported by documentary evidence, we still feel after reading the book that we are no nearer understanding the Mahatma than we were before. Let me say at once that this is not intended as a reflection upon Mr Andrew's ability as a writer: indeed, the book could not have been written better by anyone else. But the task which Mr Andrews set himself when he attempted to explain Gandhi's ideas was a colossal one, and although I would not go as far as to say that he has failed in his efforts, I repeat that when the reader has reached the last page he discovers that he has been groping round in a circle and has got back to where he started from.

How can anybody venture to tell us about Gandhi and his ideas when the Mahatma himself declined to be understood? It is this very failure on the part of millions of people to understand Gandhi that has made for his success as a powerful pedagogue. Owing to his lack of understanding of Gandhi's aims Indians and indeed many Europeans and Americans have draped the Mahatma with the veil of mysticism. Gandhi's ideas are so far in advance of this age that he has been credited with psychic powers —powers of prophecy and powers of spiritual healing.

Gandhi is an idealist and like all idealists he has created a tremendous impression upon the minds of those whose circumstance in life do not bring them into contact with the very material world in which we live. Gandhi, in his sphere as a self-appointed world-reformer, has taken upon himself the very same obligations that Karl Marx took when he gave the world his *Das Kapital*. Whereas *Das Kapital* aimed at an economic revolution, Gandhi in his speeches and writings is striving for a spiritual reformation which will sweep over mankind as Socialism has swept over the Old World.

Hundreds and thousands were killed or maimed in Russia in the pursuance of an elusive ideal which had for its object the supersession of autocracy by a democracy which had no counterpart in any other country. Many lives have been lost in India because the West does not understand the culture of the East. Gandhi's purpose is an ethereal one but the method he has advocated for its achievement has brought him violently into contact with the soul-destroying forces of materialism. The non-co-operative movement inspired by the Mahatma needed all the care and forethought of an earnestness no less wholehearted than that which is given to world-wide military endeavor, yet how could Gandhi expect to succeed in the face of an authority backed up by all that for which materialism stands—rifles, bayonets, armored-cars and aeroplane bombs?

As an instance where Gandhi's ideas conflict with those of the fast-moving, get-rich-quick machine civilizations of the West we have only to turn to that chapter which is headed "A morning with Gandhi." During his fast at Delhi a student called Ramachandran had been troubled about some questions in connection with Art, marriage and the use of machinery.

"Are you against all machinery, Bapuja (father)?" asked Rrmachandran.

"How can I be", answered Gandhi smiling at the student's naive question, "when I know that even the body is a most delicate piece of machinery. What I object to is the craze for machinery, not machinery, as such. The craze is for what they call labor-saving machinery. Men go on saving labor till thousands are without work and thrown on the open streets to die of starvation. I want to save time and labor, not for a fraction of man-kind but for all. I want the concentration of wealth, not in the hands of a few, but in the hands of all. Today machinery merely helps a few to ride on the backs of millions. The impetus behind it all is not the philanthropy to save labor but greed. It is against this constitution of things that I am fighting with all my might."

This is all very well, but what is Gandhi's alternative economic system if he is not a believer in the Marxian theory of the socialization of the instruments of production, distribution and exchange? Surely if criticism is to have any value at all it must be constructive in character. Gandhi is an avowed enemy of Western civilization, but however much the Mahatma may laud Eastern culture, that culture has not as yet succeeded in distributing the bare necessities of life among India's heterogeneous population. Western civilization does not claim to have succeeded where Indian civilization has entirely failed, but it can claim that it has pointed out the way if only Indians will take advantage of the machinery which the fertile brain of the Westerner has invented.

Gandhi is an idealist and is fanatical in his idealism. He expresses himself in no measured terms and declines to take cognizance of the expressions of others.

A nation cannot live on ideals alone. Some attention must be paid to the production, distribution and exchange of common commodities. Whilst the occupation of ministering to the spiritual needs of man is necessary man's material needs are the first consideration. After bodily comforts have been provided for, then he can indulge in the luxuries of an artistic and spiritual education.

Gandhi's philosophy is typically Oriental. His vituperative attacks upon Western civiliza tion reflects the mental attitude of the average Oriental wise-man of the market place who condemns anything as being sinful—even to the eating of meat and the drinking of wine.

Gandhi's philosphy takes us nowhere. As long as the basis of present day economics is gain, so long will Gandhi have to adapt his idealism to a very material age.

H. B. C.

Americans Also Have "Buy at Home" Problems

The Passing of Normalcy, by Charles W. Wood; B. C. Forbes Publishing Company, New York 1929. 309 pages.

Those who have been in America within the last two or three years have noticed there slogans pasted on the show windows of numerous shops urging patrons to "buy from home folks", to "keep our own money in our own town", and to "help your neighbor's business". The cause of these signs is the growing prevalence of the chain store system, spreading over the whole country and drawing upon the trade of the local shopmen.

Charles W. Wood, formerly of the New York *World*, and now with *Forbes' Magazine*, has written a unique book about this very subject. The book is unique and the method of its production is of like nature. A business man paid Mr. Wood $3,000 to undertake the investigation of this situation of chain stores, and to embody his findings in a book. Mr. Wood tells in his preface the reason he chose Marion, Ohio, as the city where he would make his study.

The writer states the definite problem resulting from the chains and their activities. He does not pretend to present any cure or solution for the conditions they have helped produce. On his 226th page he gives one result, and he thinks it the chief one brought about by them. He says "Marion is not dominantly local any longer. The local view plus the world view is now necessary."

Mixed with all the findings of the investigator we notice many statements of Mr. Wood's philosophy of life. These are, in the main, interesting. Here are two paragraphs showing something of this. "It is a strange world in which the people of Marion find themselves living today. It will take a lot of fact finding to get our spiritual bearings in such a world and it is no cause for wonder that there is much confusion. The confusion so far has shown itself in all sorts of strange antagonisms: Antagonism between the older and the younger generation; antagonism between the local merchants and the chain stores; antagonism between the churches and the movies; and an ever-increasing antagonism between the generally accepted formulas of living and the actual events of life. . . . It would be strange indeed if all the business interests impinging upon Marion should discover in the end, through these fact-finding methods, what business is really for. It would

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be strange, and yet strange things are happening now. They might discover—it is at least not humanly impossible—that the purpose of business is not to make profits for business men but to supply the people generally with the things which people want. And who knows but that they might discover, if they carry this fact-finding far enough, that the law underlying this process of supplying human needs is not the law of antagonism between groups and groups, but the law of human love?"

This book has wider horizons than its topic would seem to indicate. The last chapter is particularly suggestive, its title being "Opinion versus Reality". The author thinks in the long run that the Machine has come not to destroy, but to fulfil. He says that Trade has become so important that it has affected large group loyalties. His visit to China some years ago makes his references to this country of special interest. "In China, where the more ancient methods of production and distribution still served, patriotism in the Western sense was almost unknown up to a very few years ago; and it would have remained unknown if the demands of world trade had not made themselves heard. A good man, in China, was still a man of family loyalties. If he got a position in the state, in fact, it was assumed that he got it for his family; and if he exploited the state and remembered his second cousins, he did just about what the general public expected of him."

A business man can read this book with profit; even a layman, a mere consumer, can find much to hold his attention in its pages. G. B. S.

Story of Science

The Wonderful Story of Science, by Inez N. McFee; Thomas Y. Crowell Company, New York, 1929. 398 pages with index. Illustrated.

The author says this book "is not at all in the nature of an encyclopedia, nor is it in any sense a textbook.... Each chapter may be viewed simply as an introduction to the particular science which it represents.... The chapter on Electricity was written by Alfred P. Lane, Technical Editor of the *Popular Science Monthly*. Mr. Lane also revised the chapter on Sound, Heat and Light." There are eight chapters. Besides the topics mentioned there are taken up the stories of the Stars, the Earth, Plant life, Animals, Man and Chemistry. The style of the book and its vocabulary are such as to fit it for the use of children in their teens, or adults who have not had opportunities to take up High School work. There are illustrations and some diagrams, making clear the text and adding much to the value of the volume.

Such a book is ideal to place in the hands of children fond of reading and with a desire to understand many of the phenomena around them. It is difficult to choose the chapter that is the most interesting. In every one we find elements of deepest interest and statements that hold the attention of the reader, while in every subject we find the pathway shown to be open before the greater achievement of the future in discovery and knowledge.

October 25, 1930. G. B. S.

Recent Pamphlets Received

The current issue of the *Export Inspection Bulletin*, published by the Shanghai (Government) Bureau of Inspection, contains a review of the operations of the Bureau's raw silk testing department and much other valuable commercial information.

Copies have been received in Shanghai of the Simon Commission's Report on India (Vols. 1 and 2), a summary of which was published in the Far East several months ago based on telegraphic dispatches. The volumes cover 750 pages and cost three shillings each. They are printed and published by His Majesty's Stationery office, London.

The November number of the *Export Inspection Bulletin* (Shanghai) contains an account of the Bureau of Inspection's raw silk activities forSeptember in addition to much other useful commercial information.

The November issue of *Pacific Affairs* (Honolulu) contains an article on the administration of the Manchurian Railway Zone, by M. Royama. Problems in Java and New Zealand are also discussed.

The current issue of the *Foreign Policy Association Information Service* gives a resume of foreign reactions to the recently enacted American Tariff Act, providing for substantial increases on many products. The new tariff has resulted in many obvious acts of retaliation

"The Political Situation in China," by Dr. Kuangson Young, is the title of a brochure reprinted from the Journal of the Royal Institute of International Affairs. The author says the Chinese desire readjustment of their international status throngh reasonable procedure in a reasonable way.

Canada's Chinese Policy Obstructs Trade

BY C. A. PAO (鮑靜安)

A party of Canada's leading business men and bankers, the latter representing the three largest banking institutions of the Dominion, is due to arrive in Shanghai on November 16. The party has been organized by the Canadian Chamber of Cimmerce for the purpose of seeing the actual situation in China for themselves with the idea of promoting mutual trade through friendly meetings and discussions with trade and government organizations in China. Undoubtedly the Canadians have at last realized what it would mean to Canada if she should succeed, as the United States and Great Britain have done, in securing the vast market of China for the consumption of Canadian products. This is borne out by what is said in a little yellow pamphlet issued by the Canadian Chamber of Commerce explaining the object of the present trip, which states in part:—

"Commercial Canada has neglected her western flank by not yet having officially visited her two great western neighbors, China and Japan.

"The present and growing importance of these countries as world markets and world producers will give rise to a serious situation in the development of Canadian interests, if Canadian leaders continue without the knowledge, stimulation and personal contact which can only be secured from a visit by the principals of our chief industries and by representatives of our economic life."

What the Canadian Chamber of Commerce said in the pamphlet in question is the actual truth, pure and simple. Trade between Canada and China has been constantly growing since the beginning of the Chinese Republic. In 1930 Canada sold eight times as much to China as it bought.

The leaders of Canada have seen the potential market for Canadian products in China and it is for the purpose of further promoting the existing Canadian trade with this country that the present Industrial Commission is sent to the Far East.

Goodwill Necessary to Increase Trade

However, to obtain satisfactory expansion of foreign trade, it is of paramount importance in the first place to secure the goodwill and friendship of the people of the country in which the trade expansion is to be made. In the past the treatment of Chinese nationals residing in Canada by the Dominion Government has been anything but satisfactory. While Canadians have been enjoying all the privileges in China enjoyed by the nationals of other countries in this country, Chinese in Canada have been subjected to great discriminations and they have been denied the right to enjoy the same privileges as those granted to the nationals of other nations. They have even been subjected to humiliating treatment at the hands of immigration authorities which no national of any other country could least endure.

Canada, it will be recalled, was once the home of Red Indians. White men began to settle in the country in the eighteenth century. In an effort to develop the rich resources in the west and as white labor was then practically unavailable, large numbers of Chinese laborers were imported from the United States as well as directly from China to help in the construction of the great trans-continental railway through the British Columbia Rockies. These and other Chinese brought into the country have contributed greatly towards the development of the land. They have built many roads in the interior of Canada and have cleaned large areas of farm lands for White settlers, and, in many cases, pioneered in agricultural undertakings. The valuable service thus rendered by the Chinese community in that country has been openly admitted by the Governor-General of Canada, Viscount Willingdon.

However, against this service, the Canadian Government has caused many restrictions to be made on Chinese immigrants which culminated in the enactment of the so-called Chinese Immigration Act of 1923. The enforcement of the law practically means the complete exclusion of all persons of Chinese race or descent from Canada as is evidenced by the strict provisions of the document. It cannot but be regarded as a serious violation on the part of the Canadian Government of international courtesy and imcompatible with the growth of friendly relations between the two countries.

Chinese in Canada engaged in the kind of business defined in the Immigration Act and having the same status as that outlined in its provisions are comparatively few, while those engaged in one business must carry on the same irrespective of circumstances or, in case oftheir changing professions, they will face immediate deportation.

Chinese laborers are completely barred from the country. Chinese students are practically barred from Canada except a privileged few.

The Chinese Immigration Act has not only prevented Chinese immigrants from entering Canada but has also debarred free trade intercourse between the two nations. The leading Canadian business men as well as the Canadian Government are now planning to expand Canada's trade in this country, but what chance has Canada when the strong ill-feeling over the immigration restriction has created wide gulf between the peoples of the two countries?

However, it must be understood that China is not opposed to the restriction on Chinese immigrants in its entirety. What China is opposed to is the humiliating nature of the Immigration Act and the action of the Canadian Government in subjecting Chinese nationals to a discriminatory treatment and regarding them as outcasts. The writer ventures to suggest that the Immigration Act be amended along the following lines:—

1. That the entrance of Chinese students and merchants with their families into the Dominion of Canada be regulated by the same laws, rules and regulations as are provided for other immigrants going into that country, and that Chinese students may have an opportunity of coming to the Dominion of Canada before they are entitled to enter the University, to study and acquaint themselves with the language, customs and conditions in Canada.

2. That a Chinese citizen leaving the Dominion of Canada for a visit to China be allowed a longer period, say five or six years instead of two in which to reutrn to the Dominion without losing his status.

3. That the medical examination of Chinese citizens be regulated by similar regulations to those of other citizens entering the Dominion of Canada.

4. That the Chinese Immigration Act should be modified and amended in such a way as to place Chinese citizens on the same footing as the citizens of other nations without the least discrimination .

The Chinese Immigration Act ought to be abolished altogether and be substituted by a Quota Law as that applied to the immigrants from Japan.

These suggestions are just and reasonable. In foreign relations the principle of reciprocity must be observed. In case the Canadian Government insists on treating Chinese immigrants like prisoners and outcasts there is no reason why China should not adopt similar measures in retaliation. It is hoped that the Canadian business leaders will, in consideration of how trade relations between the two countries can be promoted by obtaining the goodwill and friendship of the Chinese people, will exercise their influence over their governmental authorities with a view to improving the treatment of Chinese nationals in the Dominion.

Shanghai, November 10, 1930.

Shanghai Cotton Mill Owner Has Large Funeral

Four thousand persons marched in the funeral procession of Woo Ling-shu, a Shanghai cotton mill owner, November 9. The procession started at 106 Avenue Road, passed Seymour Road, Bubbling Well Road, Nanking Road, Honan Road, Avenue Edward VII, Thibet Road, dispersing at the Ping Kiang Guild cemetery, Sinza Road. Upwards of a thousand members of the staff of the Tung Yih Cotton Mill, one of the enterprises started by Mr. Woo, attended the ceremony in newly made uniforms.

A departure from the old Chinese custom was noted in the procession. The big gongs and noisy Chinese orchestras were exc'uded. Mr. Woo was 54 years old, a native of Kwangtung, but brought up at Soochow. He was a pioneer in the Chinese cotton mill industry. About 15 years ago he established the Yih Dah Cotton Hong on Honan Road and five years later he started the Tung Yih Cotton Mill in addition to numerous other enterprises.

Mr. Woo toured the world last year with his son, Woo Zai-yuen, to investigate the world cotton weaving and spinning industries. He was taken ill at Mokanshan last summer.

Results of Industrial Conference at Nanking

After daily sessions extending over a week, at which upwards of four hundred proposals dealing with almost every phase of industry, commerce and labor were discussed, the National Industrial and Commercial Conference formally closed its sessions at Nanking November 8. Vice-Minister Cheng Hung-nien delivered the closing address in the absence of Dr. H. H. Kung. Mr. Cheng pointed out that practically all of the provinces and special districts in the country were represented at the Conference—a fact which not only bore witness to the restoration of national unification but augured well for the development of industry and commerce throughout the country.

Speeches were also made by Wu Chih-hui, veteran Party leader, and Dr. C. T. Wang, Minister of Foreign Affairs.

Mr. Wu dwelt upon the importance of the principle of livelihood as advocated by the late Party Leader. He stressed the need of developing navigation to foreign countries as the pre-requisite of improving foreign trade. He also pointed out that the continued existence of the various unilateral treaties constituted one of the most serious obstacles to the development of native industry and commerce. Under the shield and protection of special privileges, the foreign merchants had carried on business and industry in China with such success that the Chinese merchants were hardly in a position to compete with them. He expressed the hope that the entire business community in the country would back up the Government in its struggle for the abrogation of these treaties.

At the conclusion of the Conference, a Manifesto setting forth the work accomplished was issued. The following brief summary was compiled by the *Kuo Min* News Agency.

A Summary of Work Accomplished

The supreme aim of the National Revolution is the realization of the Principle of Livelihood. Development of productive enterprises in accordance with the programs of Reconstruction as expounded by the late Party Leader (Dr. Sun) constitutes therefore the most important task during the Period of Political Tutelage.

With the restoration of national unification, the country is now embarking upon a period of reconstruction. It is at this opportune time that the National Industrial and Commercial Conference has convened.

After several sessions extending over 8 days, a total of 406 proposals have been discussed. Practically every commercial and industrial problem, which the business community regards as of paramount importance and calling for immediate solution,—including those relating to Capital and Labor, Scientific Management, Commercial and Industrial Finance, Protective Tariff, Abolition of Miscellaneous and Exorbitant Taxation, Promotion of Native Products, Basic Industries, Unemployment, Relief of Native Industries, Transportation Facilities, International Trade and Commercial and Industrial legislation,—had received careful and thorough consideration in the course of the Conference. The main points of the resolutions adopted may be summarized as follows:—

(1). *With regard to the resistance of foreign economic exploitation:*—It was well said by the late Party Leader that only when China had attained to a status of equality in the family of nations, could unrestrained and unfettered development of productive enterprises be possible. Abolition of the various unilateral treaties, discontinuance of the system of Consular jurisdiction and the adoption of a protective tariff are, in the opinion of the Conference, the fundamental means of protecting our infant industries against foreign competition.

(2). *Joint production and distribution:*—In order to compete with foreign industries, large scale production and full cooperation in the distribution and marketing of the goods produced are indispensable. For in this way capital, raw materials as well as other means of production may be concentrated, expenses saved and the cost of production decreased. Steps in this direction have already been taken by the native match manufacturers and pottery producers. Their example should be followed by such important industries in the country as silk, textile, tea, cement, tung oil, beans and porcelain.

(3). *Reorganization of the Revenue system:*—While the abolition of the existent miscellaneous and exorbitant taxes is generally admitted to be necessary for the development of industry and commerce, the fundamental remedy lies, however, in a reorganization of the revenue system. Over fifty proposals had been submitted at the Conference calling for the abolition of miscellaneous and overlapping taxation. It is hoped that the Government will effect the abolition of likin as well as other similar taxes at the specified time.

(4). *Monetary Reforms:*—The adoption of the gold standard, while admittedly the only fundamental measure to bring about an improved national currency, can not, however, be carried out without adequate preparations. Efforts should therefore be concentrated for the present upon the reorganization of the existing currency, adoption of the Yuan as the monetary standard and fixation of the system of bank-note issue.

(5). *Scientific Management and Rationalization of industry:*—Realizing that the introduction of scientific methods of management is imperative in order to accelerate development of native industry, the Conference has adopted a proposal calling for the organization of a National association for the Study of methods for the Rationalization of Industry as well as the opening of branches of the National Industrial and Commercial Association.

(6). *Basic Industries:*—The Conference has adopted proposals calling for the opening at an early date of factories for the manufacture of acids and alkalies, iron and steel works, coal mines, cotton mills, textile factories, paper mills, sugar refineries and factories for the manufacture of artificial silk.

(7). *Special Poducts:*—Foreign markets for the special products of the country have been on a steady decline. In order to remedy this situation, the Conference has adopted proposals providing for the introduction of improved methods of production, the wider use of machinery, and the increase of production.

(8). *The Welfare of Labor:*—The only way in which the welfare of the workers in the country can be promoted is by the development of productive enterprises. The interests of capitalists and workers in this country are really identical and by no means in conflict. Full cooeration between Capital and Labor is the surest way to bring about amelioration in the material well-being of workers.

(9) *Unemployment*—For the relief of unemployment the Conference has adopted proposals calling for the development of productive enterprises, encouragement of new industries, safeguarding of the interests of foreign and domestic investors, promotion of professional and vocational training, enforcement of the system of compulsory insurance against unemployment.

(10). *International Trades*—In order to develop foreign trade, the Conference has adopted proposals calling for the opening of an International Exchange Bank, development of steamship services to foreign countries, dispatch of special trade commissioners to foreign countries and the organization of a Foreign Trade Association.

Bank Holidays Announced for 1931

The foreign Exchange Banks and the Shanghai General Chamber of Commerce have announced that they will observe the following holidays during 1931:—3 days New Year—Thursday, Friday and Saturday, January 1, 2, and 3; 2 days Spring Holiday (China New Year)—Tuesday and Wednesday, February 17 and 18; 3 days Easter—Friday, Saturday and Monday, April 3, 4 and 6; 1 day Whit-Monday—Monday, May 15; 1 day Dragon Boat Festival—Saturday, June 20; 2 days Summer Holiday—Wednesday and Thursday. July 1 and 2; 1 day Bank Holiday—Monday, August 3; 1 day Mid-Autumn Festival—Saturday, September 26; 1 day Anniversary of the Chinese Republic—Saturday, October 10; 2 days Christmas—Friday and Saturday, December 25 and 26.

Wealthy Japanese Becomes President of Leper Asylum

A sensation was caused in Tokyo society circles November 7 when it was announced that Soichi Iwashita, the heir to the late Mr. Iwashita, multimillionaire, had been appointed president of a leper asylum, in Gotemba, maintained by the Roman Catholic Church. Mr. Iwashita studied at the Louvain University in Belgium, and later continued his theological studies at the St. Edmond Theological Seminary in England and at the Angelico College in Italy. Since his return to Japan, he has been devoting himself to the management of the Fuji Farm.

Latest New York Stock Exchange Quotations

Market: Steady Business Done 3,334,020

November 12.

1929-1930 High	1929-1930 Low	STOCK	Nov. 10	Nov. 11
37⅜	17¾	Adams Express	17¾	18½
136½	108¼	American Can	109⅝	111¼
101⅝	35⅛	American & Foreign Power	36½	Unq.
79½	48	American Smelting	48	47
274¼	186¼	American Tel. & Tel.	186¼	182½
129⅞	103¾	American Tobacco "B"	103¾	104¼
124⅞	59	American Water Works	59	62
81½	33¾	Anaconda Copper	34⅜	34⅞
53⅜	19	Atlantic Refining	19	19⅞
122⅜	73	Baltimore & Ohio	73	71¼
110¼	60	Bethlehem Steel	60	60¼
50½	15½	Borg Warner	15¼	16
33⅜	8⅜	Calumet & Hecla	8½	8¼
226¾	165¾	Canadian Pacific Railway	40½	41⅛
362¾	103¾	J. I. Case	103¾	109
43	15	Chrysler	15	15¼
44¼	16⅝	Cities Service, Common	17¼	18½
87	33¼	Columbia Gas & Electric	33¼	34
37⅜	10⅝	Columbia Graphaphone	10⅝	10⅞
20¼	7⅞	Commonwealth Southern	7⅞	7⅞
6¼	1⅝	„ „ war.	1⅝	Unq.
136⅞	82⅝	Consolidated Gas. of N. Y.	82⅝	84
30½	10	Continental Oil	10	10¾
14⅞	3¾	Curtiss Wright	3¾	3⅞
145¼	84½	Du Pont de Nemours	84½	87
255¼	153	Eastman Kodak	158¾	161
117⅜	40⅝	Electric Bond & Share	40⅝	42¼
57⅜	16⅛	Fox Film "A"	31	31½
34⅝	7⅛	General Aviation	7¼	7
95⅜	45¾	General Electric	45¾	46¾
61¼	46⅛	General Food	Unq.	49
54¼	32	General Motors	32	33¼
106⅞	56½	General Railway Signal	56½	57½
47⅞	30¼	Gold Dust	30¼	30⅞
58	15½	Goodrich Rubber	16¾	17
96⅞	37¼	Goodyear Tire & Rubber Co.	39⅞	40½
59⅞	12¾	Granby	13	12⅜
62⅞	10	Hudson Motors,	18⅜	18½
28⅜	3⅝	Indian Refining	3⅝	3⅞
75⅜	53¾	International Cement	56¼	57¼
14½	2	International Combu. Eng.	2	2
115¾	53¾	International Harvester	55⅝	56⅝
44⅜	16⅝	International Nickel	17¾	17⅞
77⅜	25½	International Tel. & Tel.	25¾	26¼
148⅜	62¾	Johns Manville	62¾	64½
63¾	24¼	Kemecott Copper	25⅝	26
35⅜	23¾	Kreuger & Toll	23¾	23½
48⅛	20	Kroger Grocery	20	19½
114⅝	80½	Liggett & Myers, "B"	80½	82
95¾	42⅛	Lowes: Inc	57⅜	56½
28⅛	11⅜	Lorillard (P) Co. com-	11½	11
44⅞	12	Ludlum Steel	12	12
49⅞	16¼	Montgomery Ward	16¼	17
		National City Bank of N.Y.	Mutl.	102½
32	9⅜	Nevada Consolidated Cop.	9⅜	9⅞
192¾	128¼	New York Central	128½	130½
107⅛	56½	Pacific Lighting	56½	57¾
23⅜	7½	Packard Motor Car	7½	7⅝
77½	43	Paramount—Publix Corp	43	42⅛
85⅝	56⅝	Pennsylvania Railroad	56⅝	57⅛
16½	6⅝	Pennroad Corporation	6⅞	6⅞
44¾	17	Philips Petroleum	17	20
123¼	67	Public Service of N. Jersey	67	69⅝
69⅜	14⅞	Radio Corporation	14⅞	14⅝
50	19	Radio-Keith Orpheum	20⅜	20⅝
58⅝	43¼	Reynolds Tobacco "B"	43¼	42⅝
100⅝	45⅞	Sears Roebuck	46½	46½
25⅛	8⅜	Shell Union	8⅜	Unq.
94⅛	11	Simmons Company	11⅛	11¾
72	45⅛	Southern California Edison	45⅛	45⅛
29¼	15	Standard Brands	15	15
129	67½	Standard Gas & Electric	67¼	66½
84⅞	501⅛	Standard Oil of N. Jersey	50⅛	51¼
40⅝	25⅛	Standard Oil of New York	25⅛	25⅜
60½	35⅜	Texas Corporation	35⅜	36⅝
67⅝	48⅛	Texas Gulf Sulphur	49⅞	50⅜
89¼	44	Timken Roller Bearing	45	45
47⅜	16⅜	Trans America	16⅜	16½
106⅜	55	Union Carbide & Carbon	55	56½
242¾	176½	Union Pacific Railway	176½	177
99	28¼	United Aircraft & Transp't	28¼	27⅝
49⅜	25⅛	United Gas & Improvement	25⅛	25⅞
35	11½	U.S. Rubber	11½	12
198¾	140	U.S. Steel	140	141⅛
143¼	44¾	Vanadium	47	47¾
80¼	16⅛	Warner Bros. Pictures	16⅛	14⅞
201	96⅛	Westinghouse E. & M.	96¼	98¼
72⅜	51⅜	Woolworth	55	54⅝
		Call Money	2%	2%

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Japanese Shipping and Steel Industries Badly Depressed

A merger of steel enterprises in Japan, with the Yawata Iron Foundry as a nucleus, is being prepared by the Japanese Minister of Commerce in view of the severe depression in the steel industry.

The directors of the Nippon Yusen Kaisha, Japan's largest shipping company, have decided to pay no dividend for the first half year's working.

Deputies Alleged to be Implicated in French Bank Failures

Several failures of banks in France during this and last week have created intense excitement in the French capital. It is alleged that many Deputies, including one member of the present Cabinet, are implicated in the crash. Runs have started on a number of banks in Paris notably on the Credit Lyonnais from which several hundred million francs were withdrawn by the depositers.

Death of Lenox Simpson at Tientsin, November 11

Lenox Simpson, better known as Putnam Weale, whose brief career as Customs Commissioner at Tientsin under Gen. Yen Hsi-shan terminated in his being mortally wounded by unknown Chinese assailants on October 1, died at the Victoria Hospital, Tientsin, November 11 at 10 p. m.

Indian Round Table Conference Convenes in London

The Indian Round Table Conference was formally opened in London November 12, although the Conference will not actually get down to business until November 17. The indications are that the Conference will adopt plans for India considerably in advance of the recommendations of the Simon Commission, but no matter how liberal the Conference proposals may be—and it has to be borne in mind that these will have to await approval by the British Parliament—they will fail to meet the aspirations of the great mass of Indians who, led by the Nationalists, are asking for complete independence.

Burma Also Wants Independence

The General Council of the All Burmese Associations whose headquarters are at 67 Bagaya road, Kemmendine, recently sent the following telegram to the British Prime Minister and various British Government departments:—"The Burma Legislative Councillors, not being true representatives, their Separation Resolution is not the country's verdict. The Government's chosen delegates to the Round Table Conference represent only local Government. This Council condemns Simon Report in toto, particularly immediate separation. This Council will not accept any scheme of Government which does not satisfy the majority of the masses whose declared ultimate goal is independence."

Brazilian Indians Massacre Three Missionaries

Two American missionaries and the infant daughter of one of them, are reported slaughtered, presumably by Indians, at an isolated mission station near Juruena, in the interior of Brazil, three weeks' journey by ox-team from the nearest outpost of civilization. The victims were the Rev. Arthur Tylee, his infant daughter, and Miss Ethel Kratz, who was acting as the child's nurse. Mrs. Tylee was wounded, but is recovering.

The British Foreign Secretary states that the new Brazilian Government has given assurances that it will respect all existing treaties, public debts, contracts and other legally enacted obligations.

Armistice Day Is Celebrated in China

The American community in Shanghai joined with the Allied communities in Shanghai in celebrating Armistice Day, November 11. At a celebration conducted by the Fourth Regiment Church at the Carlton theater Sunday, November 9, the honor guests present were American units of the Shanghai Volunteer Corps, members of the American Legion, Spanish-American War Veterans and Daughters of the American Revolution. The service was also in the nature of a "birthday" celebration, the 155th anniversary of the U. S. Marine Corps.

Persia Grants Export Opium Monopoly

A *Reuter's* telegram from Teheran states that the Persian Government has granted to Haji Mirza Habibulla Hanin the sole right to export opium for five years. The concessionnaire guarantees the export of 6,500 cases of opium annually.

The export tax has been increased to £83 per case for the first two years, £110 for the third and fourth years, and £117 for the last year of the concession. The concessionnaire is understood to be forming a company of the leading Persian opium merchants with a capital of £250,000.

Chinese Prosecuted for Printing False "Eveready" Labels

A Chinese store-keeper named Choong Wo-ching, was prosecuted in the District Court last week for counterfeiting the wellknown "Eveready" label, applied to electric batteries and flash-lights, After a lengthy hearing, accused was remanded in custody for one week, bail being refused. Assistant Municipal Advocate Yau-dong Wong, prosecuted on behalf of the nominal prosecutors, the Shanghai Municipal Council, while the actual prosecution was instituted by the National Carbon Co. of America

Electric Service Corporation Increases Capital

The Electric Service Corporation has announced an increase of capital from Tls. 200,000 to Tls. 500,000. The Electric Service Cor. was incorporated in 1926 under the China Trade Act with an authorized capital of Tls. 50,000. Two years later, in 1928, this amount was raised to Tls. 200,000. The officers of the Corporation are: Roy DeLay, president; S C. Kingsbury, treasurer; C. C. Franklin, secretary; F. S. Wang, director; and T. Y. Yao, director.

Canton University Professor Rescued from Bandits

Wong Ping-fang, the Canton correspondent of the *Hongkong Telegraph* and a professor in the Sun Yat-sen University, was rescued on November 8 by soldiers and police after having been held captive by bandits for some days. The village was surrounded by police and soldiers and in the ensuing fight two robbers were wounded and the rest fled, abandoning their prisoner.

Chinese and Jews Under Ban of New League Formed in Mexico

A convention has been called by the Anti-Chinese and Anti-Jews League, to meet in Mexico City on November 30. The resolutions to be offered before the convention, according to *Reuter*, will include one proposing the refusal of commercial licenses to Chinese or Jews living in Mexico. Another projected resolution would forbid Chinese or Jews from marrying Mexicans.

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The PORT OF SEATTLE

The National City Co. Gold Bond Quotations Received From Head Office

November 6, 1930.

SECURITY	RATE & DATE DUE	Price	Approx Yield%
The National City Bank of New York	Stock	123	—
Argentine Government	6 % May 1, 1960	96	6.30
U. S. of Brazil	6½% Oct. 15, 1957	70¼	9.53
Chicago Rapid Transit Co.	6½% July 1, 1944	82	8.80
Republic of Costa Rica (Pac. Rwy.)	7½ Sept. 1, 1949	90	8.58
German Central Bank for Agriculture	6 % Oct. 15, 1960	76¼	8 06
Kingdom of Italy	7 % Dec. 1, 1951	96½	7.33
Japanese Government	6½% Feb. 1, 1954	104⅛	6.14
Lautaro Nitrate Co., Ltd., Conv.	6 % July 1, 1954	66	9.70
National Hotel of Cuba, Income Debs.	6 % Sept. 1, 1959	80	7.74
Norwegian Hydro-Elec. Nitrogen Corp.	5½% Nov. 1, 1957	94¼	5.89
Republic of Peru	6 % Dec. 1, 1960	57	10 88
State of Tennessee Central Rwy.	6 % April 1, 1947	95	6.50
Anaconda Copper Mining Co.	Common Stock	35½	—
Beaux-Arts Apartments Inc. $6 1st. Pfd. Stock &	Common Stock	85 per unit	
Belgian National way. Pcptg. Pfd. Stock	6 % (Amn. Shares)	78	7.72
Cannon Mills Co.	Common Stock	23	—
General Italian Edison Electric Corp.	Common (Amn. Shares)	46½	—
General Mills, Inc.	Common Stock	46½	—
General Motor Corp.	Common Stock	34	—
Pennsylvania Railroad Co.	Common Stock	64½	—
Standard Oil Co. of New York	Common Stock	26	—
United Aircraft & Transport Corp.	Common Stock	30¼	—
United States Steel Corp.	Common Stock	142¼	—
Pennsylvania - Dixie Cement	$7 Cum. Pfd. Stock	25½	—
Cuban Dominican Sugar	7½% Nov. 1, 1944	20	—
State of Minas Geraes Series "A"	6½% Sept. 1, 1959	58⅞	—
Rhine Westphalia Electric Power Corp.	6 % April 1, 1955	83¼	7.46
Republic of Chile	6 % July 1, 1963	84½	7.25
American I.G. Chemical Corp. Conv. Debs.	5½% May 1, 1949	101½	5.37
Ilseder Steel Corp.	6 % Aug. 1, 1948	82⅞	7.79
Saxon Public Works	6½% May 1, 1951	79⅞	8.61
Republic of Finland	5½% Feb. 1, 1958	78	7.39
German General Electric (A. E. G.)	6 % May 1, 1948	90½	6.95
Pennsylvania Dock & Warehouse C.	6 % Aug. 1, 1949	92½	6.70

QUOTATIONS RECEIVED FROM LONDON OFFICE

Republic of China Gold Loan	5 % 1925	68½	—
Chinese Govt. Re-org. (£) Loan Stamped	5 % 1913-60	67	—
Chinese Govt. Re-org. (£) Loan Unstamped	5 % 1913-60	65	—
Chinese Govt. (Crisp Loan)	5 % 1912	47½	—
Shanghai Nanking Railway	5 % 1904/08	56½	—
Shanghai Hangchow Ningpo Railway	5 % 1908/38	77½	—
Hukuang Railway	5 % 1911/1951	30½	—
Tientsin Pukow Railway	5 % 1908/06	27	—

NOTE: The above quotations are received by cable, and whilst believed to be correct, are not guaranteed.

What the Ships Carry between America and China

Return of the Shanghai Customs

Pls.—1 Picul or 133 1/3 pounds; Bls.—Bales; Pcs. Pieces; Mills—thousands;

OLYMPIA, July 28.
(Agents: States S. S. Co.)
From U. S. of America.

Timber, Softwood:		
Ordinary Manufactured	Sup.ft.	193,039

BOWES CASTLE, August 9.
(Agents: Dodwell & Co.)
From U. S. of America.

Tobacco, Leaf	Pls.	2,242

EMPRESS OF ASIA, August 9.
(Agents: Canadian Pacific R'ly Co.)
From U. S. of America.

Flour, Wheat	Pls.	368

PATRICK HENRY, August 19.
(Agents: Lloyd Everett, Incorporated)
From U. S. of America.

Carbon Black	Pls.	352
Cotton, Raw	Bls.	2
	,,	4

PRESIDENT LINCOLN, Aug. 28.
(Agents: Robert Dollar Co.)
To U. S. of America.

For—		
Silk, Raw, Filature:		
Wild, Chefoo	Bls. 10 Pls.	104.90
Read—		
Silk, Raw, Filature:		
Wild, Chefoo	Bls. 100 ,,	104.90

PRESIDENT ADAMS, Sept. 1.
(Agents: Robert Dollar Co.)
From U. S. or American.

Cotton Sheetings:		
White, Plain, over 41 in wide	Yds.	180
Cotton Knitted Shirts, Raised	Pls.	25
Canned Fruits	,,	77
Indigo Paste, Artificial:		
20 per cent. strength	,,	1,600
Ink, Printing	,,	7
Newspapers, Old	,,	1,499
Paper, Coated	,,	19
Oranges, Fresh	,,	336
Barley, Pearl	,,	39
Sodium, Unclassed	,,	27
Sulphur Black	,,	303
Ultramarine Blue	,,	4
Coffee	Lb.	360
Cigars	Pcs.	3,000
Lemons, Fresh	,,	1,650
Dyes, Aniline	Pkgs 124 G. Units	15,147
Treasure:		
Silver Bars	,,	10,755
Motor-cars, Parts of	,,	11,533
Machinery	,,	39,200

OIL PIONEER, September 8.
(Agents: States S.S. Co.)
From U. S. or America.

Oil, Lubricating, Mineral	Galls.	7,433

PRESIDENT JACKSON, Sept 9.
(Agents: Robert Dollar Co.)
From U. S. America.

Copper, Ingots	Pls.	420
Butter, Fresh	,,	210
Flour, Wheat	,,	1,918
Hams	,,	4
Ink, Printing	,,	319
Milk, Evaporated	,,	40
Vanishes	,,	4
Rubber Tires:		
For Motor-cars	Pcs.	61
For Motor-cars	,,	1,413
Timber, Softwood:		
Ordinary Manufactured	Sup.ft.	23,905
Enamelledware	G. Units	4,022

GOLDEN TIDE, September 10.
(Agents: States S. S. Co.)
From U.S. of America.

Gasolene, Mineral, in Case	Galls	50,000
,, ,, ,, bulk	,,	26,500
Oil, Kerosene, in Case	,,	675,650
Oil, Lubricating, Mineral	,,	1,329
Raisins, Unclassed	,,	314
Varnishes	,,	62

MICH GAN, September 11.
(Agents: States S S Co)
From U. S. of America.

Paper, Kraft	Pls.	840
Timber, Softwood:		
Ordinary, Sawn	Sup.ft.	1,233,594
Merchantable	,,	167,483
Logs	,,	962,357

TAIYANG, September 11.
(Agents: Dodwell & Co.)
From U. S. of America.

Aluminium Sheets	Pls.	8
Aluminium-foil	,,	37
Corn Starch	,,	578
Indigo Paste, Artificial:		
20 per cent. strength	,,	1,068
Newspapers, Old	,,	1,500
Soda, Caustic	,,	2,184
Soda, Bicarbonate of	,,	160
Tobacco, Leaf	,,	1,728
Oil, Kerosene, in bulk	Galls	21,945
Oil, Lubricating, Mineral	,,	1,082
Turpentine, Vegetable	,,	92
Varnishes	,,	305
From Manila		
Alcohol	Galls	16,800
Buntal Fibre	Pls.	8

PRESIDENT MADISON, Sept 11.
(Agents: Robert Dollar Co.)
To U. S. of America.

Silk, Raw, Steam Filature:		
White, S'hai	Bls. 165 Pls.	163.64
Yellow, T'tao	Bls. 25 ,,	24.42
Silk, Raw, Reeled from Doupions:		
Shanghai	Bls. 75 Pls.	76.06
Silk Piece Goods	,,	2.93
Tea, Green:		
Gunpowder, Ningpo	,,	301
Tea, Black:		
Other kinds, Hankow, Kiukang, etc.	,,	46
Congou Hankow	,,	767
Antimony, Regulus	,,	420
Egg Yolk, Dried	,,	313
,, ,, Liquid	,,	33
Brassware	,,	116
Feathers, Duck	,,	30
Hair, Human	,,	106
Oil, Wood	,,	8,792
Seed, Sesamum	,,	18
Skins, Lamb Untanned	Pcs.	3,000
,, Sheep, ,,	,,	3,000
,, Rabbit, ,,	,,	30,000
Skin, Mats, Kid, Tanned	,,	4,200

SIBERIA MARU, September 12.
(Agents: Nippon Yusen Kaisha.)
To U. S. Of America.

Cotton Yarn, Waste	Pls.	101
To Canada		
Silk, Raw, Steam Filature:		
White, S'hai	Bls. 10 Pls.	9.69
Skins, Weasel	Pcs.	4,609

BESSEMER CITY, September 12.
(Agents: U. S. Steel Products Co.)
From U. S. of America.

Angles	Pls.	918
Bars	,,	48
Beams	,,	3,230
Channels	,,	291
Plates, 1/4 in thick	,,	1,010
Tinned Plates, Plain	,,	829
Iron and Steel, Galvanized:		
Sheets, Plain	,,	1,972
Tobacco, Leaf	,,	3,703

CITY OF MANDALAY, Sept. 13.
(Agents: Lacey & Cannan, Ltd.)
Form U. S. of America.

Iron and Steel, Ungalvanized:		
Beams	Pls.	232
Channels	,,	85
Sheets	,,	336
Asphalt	,,	319
Grease, Lubricating, Mineral	,,	418
Oil, Essential	,,	239
Tobacco, Leaf	,,	3,348
Oil, Lubricating, Mineral	Galls	43,294

MARGARET DOLLAR, Sept 13.
(Agents: Robert Dollar Co.)
From U. S. of America.

Flour, Wheat	Pls.	469
Timber, Softwood:		
Piling	Sup.ft.	332,931
Logs	,,	306,013
Ordinary, Sawn	,,	2,527,314
Clear	,,	71,913
Merchantable	,,	269,925

WISCONSIN, September 13.
(Agents: States S. S. Co.)
From U. S. of America.

Milk, Condensed	Pls.	900
Paper, Wrapping	,,	117
,, White, Bond	,,	86
Flour, Wheat	,,	809
Timber, Softwood:		
Ordinary, Sawn	Sup.ft.	222,919
Ordinary, Manufactured	,,	879,694
Merchantable	,,	439,161

PRESIDENT HARRISON, Sep. 15
(Agents: Robert Dollar Co.)
From U. S. of America.

Soda Ash	Pls.	840

TAIYO MARU, September 15.
(Agents: Nippon Yusen Kaisha.)
From U. S. of America.

Awabi, Dried	Pls.	8
Newspapers, Old	,,	525
Cigarettes	Mille	180
Motor-truck Chassis	Pcs.	4
Hats, Felt	Doz.	16

PRESIDENT HARRISON, Sep. 15
(Agents: Robert Dollar Co.)
From U. S. of America.

Canned Awabi	Pls	230
Canned Fruits	,,	17
Ink, Printing	,,	32
Leather, Patent	,,	16
Macaroni, in bulk	,,	94
Newspapers, Old	,,	3,674
Paper, Printing	,,	61
Paper, Writing	,,	53
Paper, Unclassed	,,	20
Oranges, Fresh	,,	396
Coffee	Catties	225
Cigarettes	Mille	150
Dyes, Aniline	Pkgs 325 G. Units	23,325
Infants' Foods	,,	5,808
Machinery, Parts of	,,	46,391
Automobiles, Parts of	,,	9,446
Rubber Tires:		
For Automobiles	Pcs.	1,943
Motor-truck Chassis	,,	2

GRAYS HARBOR, September 16.
(Agents: States S. S. Co.)
From U. S. of America.

Timber, Softwood:		
Ordinary Manufactured	Sup.ft.	735,640

WALES MARU, September 17.
(Agents: Showa Shipping Co.)
From U. S. of America.

Borax	Pls.	909
Prunes, Dried	,,	31
Tobacco, Leaf	,,	2,498
Hardwood:		
Logs	Sup.ft.	43,003
Softwood:		
Ordinary, Sawn	,,	200,092
Logs	,,	49,658
From Japan		
Silk Cocoons	Pls.	48.50
White Zinc	,,	50
Acid, Hydrochloric	,,	312
,, Nitric	,,	326
Calcium, Carbide of	,,	113
Carbon Black	,,	18
Glue	,,	63
Manganese Ore	,,	84
Oil, Hardened	,,	168
Paper, Wrapping	,,	34
Sulphur, Crude	,,	200
,, Powder	,,	33
Timber, Hardwood:		
Rough Hewn	Sup.ft.	14,653
Oil, Turpentine	Galls	100

CORNEVILLE, September 18.
(Agents: O. Thoresen & Co.)
From U. S. of America.

Timber, Softwood:		
Logs	Sup.ft.	595,925
Ordinary, Sawn	Sup.ft.	652,447
Planks	,,	19,665
Laths	Pcs.	2,000,000

CORNEVILLE, September 18.
(Agents: O. Thoresen & Co.)
From U. S. of America.

Flour, Wheat	Pls.	919
Oil, Lubricating, Mineral	Galls	89,050
Timber, Softwood:		
Ordinary, Sawn	Suq.ft.	71,459
Merchantable	,,	138,398

WALES MARU, September 22.
(Agents: Showa Transportation Co.)
To U. S. of America.

Hair, Human	Pls.	181

ROYAL PRINCE, September 19.
(Agents: Furness (Far East), Ltd.)
From U. S. of America.

Aluminium Sheets	Pls.	105
Iron and Steel, Ungalvanized:		
Channels	,,	504
Pipe Fittings	,,	574
Wire	,,	2
Iron and Steel, Galvanized:		
Bolts	,,	22
Pipe Fittings	,,	136
Wire	,,	19
Tinned Plates, Waste	,,	1,680
Cement	,,	465
Cocoa Beans	,,	100
Ink	,,	38
Indigo Paste, Artificial:		
50 per cent. strength	,,	665
Tobacco, Leaf	,,	6,119
Baking Powder	Doz.	482
Files	,,	80
Motor-cars	Pcs.	1
Rubber Tires:		
For Motor-cars	,,	56
Rubber Inner Tubes:		
For Motor-cars	,,	48

ASAMA MARU, September 20.
(Agents: Nippon Yusen Kaisha.)
To U. S. of America.

Silk, Raw, Steam Filature:		
Yellow, S'hai	Bls. 10 Pls.	9.99
Silk, Raw, Filature:		
Wild, Antung	Bls. 40 ,,	41.65

Chinese Government Railways

Shanghai-Nanking and Shanghai-Hangchow-Ningpo Lines

From Shanghai to Nanking: 311.04 Kilometers

From Shanghai to Hangchow: 189.57 Kilometers

The Shanghai-Nanking Line extends from Shanghai, one of the greatest seaports in the world, to Nanking, the seat of the Nationalist Government of China. Short as it is when compared with the other trunk Lines in China, it serves a rich and densely populated district of preponderant importance, politically, as well as commercially and industrially. The whole Line is dotted over with points of known scenic beauty too numerous to be all mentioned here. Tourists and travellers should utilize the train service of this Line at least to visit Soochow, known as the *"Garden City of the Orient"*, Wusih, the picturesque city on Lake Tai-hu, Chinkiang, the *"Gate of the Yangtze River"*, and Nanking, a city rich in historic remains with the new grand Mausoleum of modern architecture for Dr. Sun Yat Sen, Founder of the Chinese Republic.

The Shanghai-Hangchow-Ningpo Line runs southwestward from Shanghai through a tract of beautiful places. At Lunghwa one will see the famous Pagoda with a long history attached to it; at Sungkiang, the observatory of the French Fathers at the summit of Sha Shan and the grave of General Frederick Ward; at Kashing, the South Lake and the Three Pagodas situated about two miles from the station; and at Hangchow, the present terminus of the Line from Shanghai, the renowned West Lake which called forth highest praise from Marco Polo, with such picturesque surroundings that it has been well called the *"Switzerland of China"*. Tourists! A visit to Hangchow by the comfortable trains of this Line will give you the utmost satisfaction of travel and untold pleasure of sight-seeing.

For further information apply to the Traffic Manager of the two Lines at Shanghai North Station.

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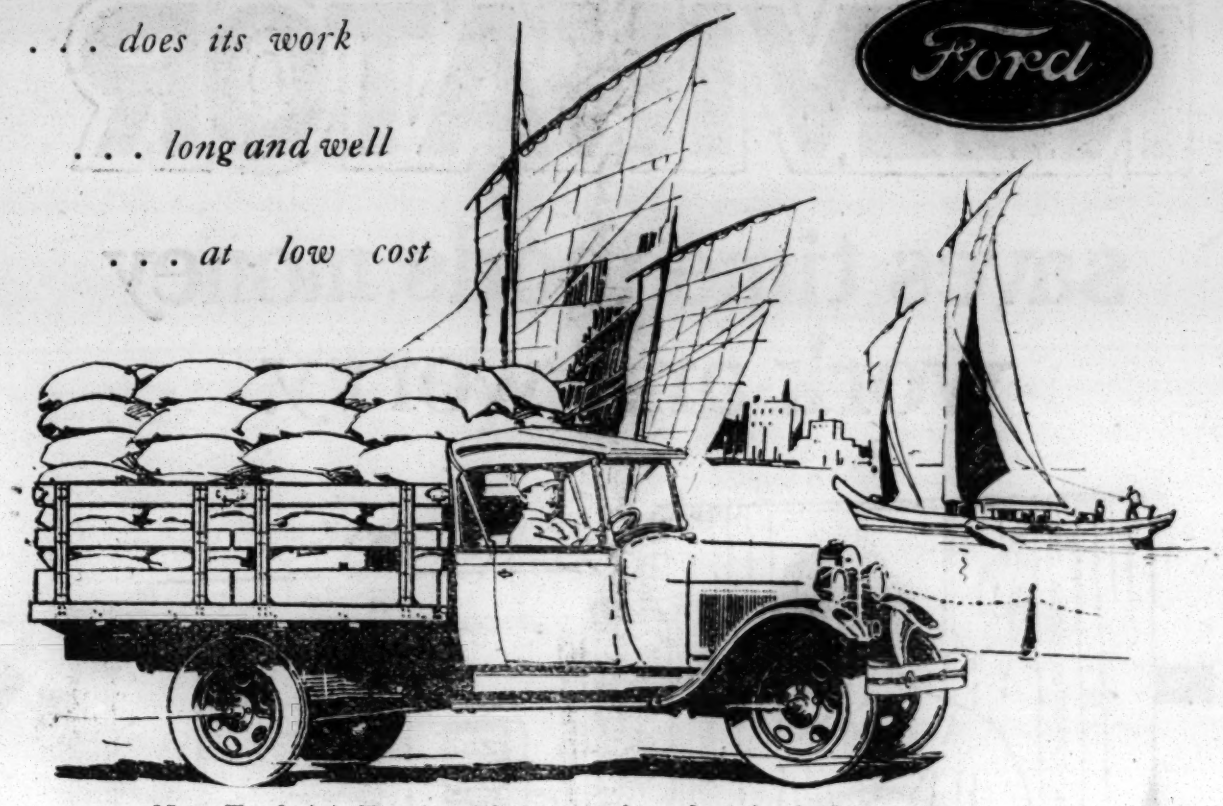
. . . does its work

. . . long and well

. . . at low cost



New Ford AA Truck with open cab and stake body

A Triumph in low-cost transportation

A mere reading of the specifications of the new Ford truck is enough to open the eyes of the man who knows trucks. A whole chapter might be written about every single item. The whole truck is equal to the sum of its parts and that whole is a triumph in low-cost transportation.

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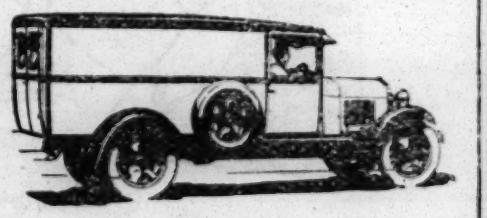
Corner of Avenue Foch and Route Cardinal Mercier, Shanghai



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